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ABSTRACT

This Child Care Primer provides a detailed overview of child care funding, supply, and demand in New York City. The Primer utilizes data available from public agencies to create a picture of the availability of child care and early education services. The statistical portrait covers New York City demographics, enrollment in regulated child care and early education programs; public budgeted expenditures for child care and early education programs; costs of public and private child care in New York City, and the unmet need for child care in New York City. The primer notes that New York City has received substantial new funding for child care expansion in the past 2 years. In addition, the funding for Universal Pre-Kindergarten has increased by 68 percent during this period, significantly expanding this resource. Even with these increases, the primer portrays a substantial shortage of both regulated care and subsidies. Specific findings detailed are as follows: (1) low- to moderate-income working families have extremely limited access to child care subsidies; (2) child care needs for families on public assistance are rapidly increasing; (3) child care need far exceeds supply; (4) subsidized child care services have increased, while enrollment has decreased. Sources for these findings are noted. The primer concludes with a glossary. (HTH)

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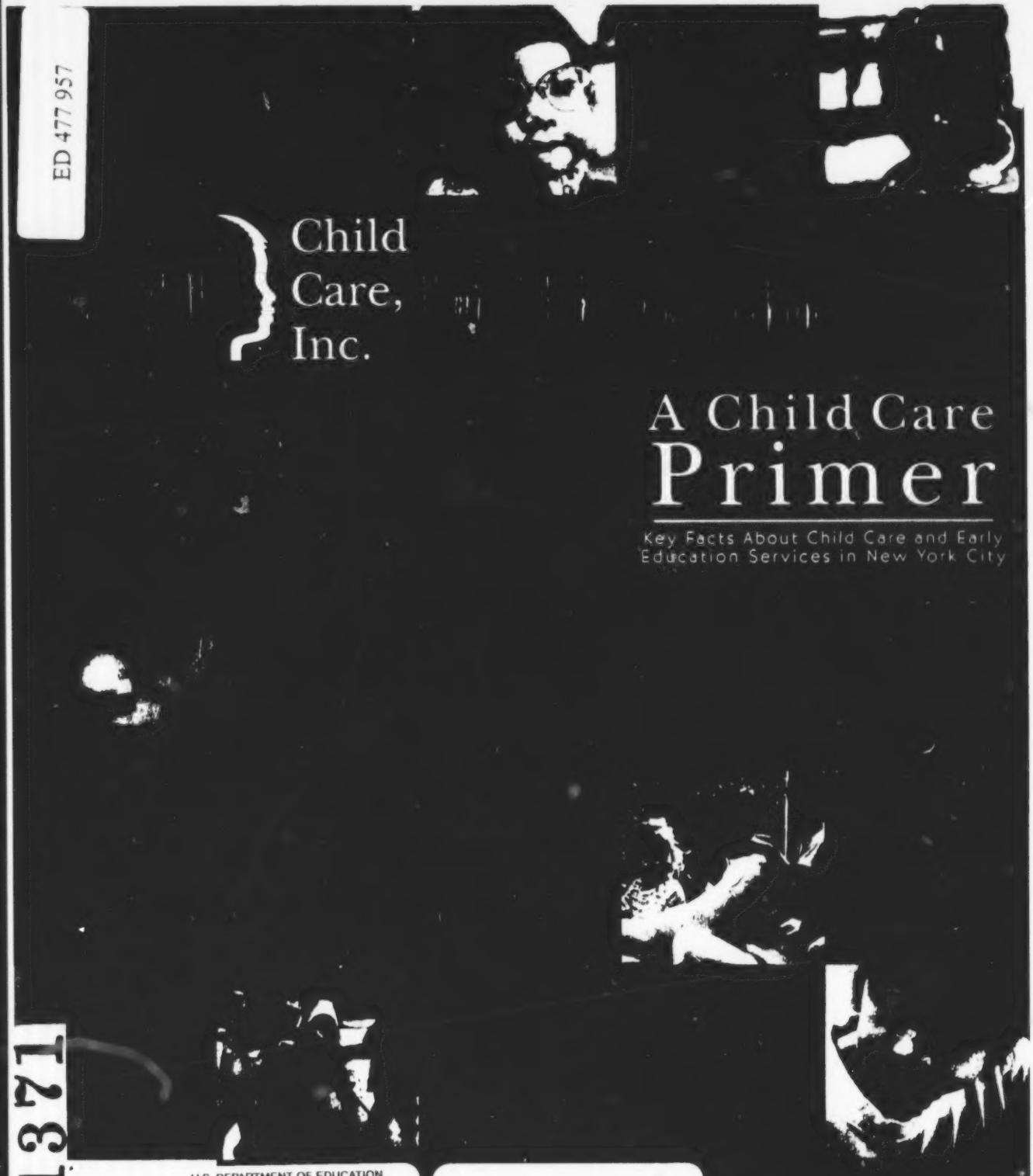

Child Care, Inc.

A Child Care Primer

Key Facts About Child Care and Early Education Services in New York City

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About Child Care, Inc.

Child Care, Inc. works to assure access to high quality, affordable early care and education services for every family who needs it. We carry out our mission through diverse, well-integrated program and policy initiatives. As one of the first child care resource and referral agencies in the country, CCI's 27-year presence in the field has given us a thorough understanding of the diverse early care and education communities. We provide a wide array of consultation and referral services to parents seeking early care and education programs, before and after school programs, and family child care providers. We also provide significant resource development activities and technical support services to new and potential child care providers and programs. Through our work on the local, state and national levels, Child Care, Inc. serves as a catalyst for strengthening public policies that support quality early care and education.

Child Care, Inc. is supported by grants and contributions from private foundations, corporations and government agencies, fee for service contracts and membership dues.

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A Child Care Primer 2000

Key Facts About Child Care and Early Education Services in New York City

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Summary of Key Facts About Child Care and Early Education Services In New York City

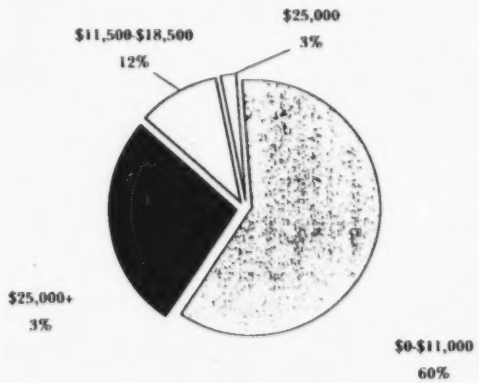
The Child Care Primer provides a detailed overview of child care funding, supply and demand in New York City. The Primer utilizes data available from public agencies to create a picture of the availability of child care and early education services.

New York City has received substantial new funding for child care expansion in the past two years. In addition, the funding for Universal Pre-Kindergarten has increased by 68% during this period, significantly expanding this resource. Even with these increases, the Primer details a substantial shortage of both regulated care and subsidies. It is also clear from the data that increased child care funds have not resulted in more child care assistance for low income working families.

Low to Moderate Income Working Families Have Extremely Limited Access to Child Care Subsidies.

- Sixty percent (60%) of the 55,962 children in ACD subsidized care are in families earning less than $11,000 per year. 85% have incomes below $18,500. In short, families earning between $19,000 and $38,000 have very little access to child care subsidies.[1]

Allocation of ACD Subsidies for Child Care by Annual Income



- Over 38,000 children are on a waiting list for a child care subsidy. Families transitioning from public assistance are guaranteed placement, therefore waiting list is comprised of other low income working families.[2]

- Child care is not affordable for low and moderate income working families. A two-parent family with one preschool child earning $21,000 would spend 62% of their gross income to secure quality center-based care at the current state market rate.[3]

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[1] *Survey of Families in ACD Contracted Care, A Child Care Primer. Child Care, Inc. 1998.*
[2] *Mayor's Management Report, City of New York. 1998, 1999 and 2000 editions.*
[3] *US Department of Health and Human Services, Administration for Children and Families, Estimated Median Family Income for Four Person Families (FY 2000). Federal Register, February 26, 2000 Vol. 64 No. 38 pp. 9513-9514.*

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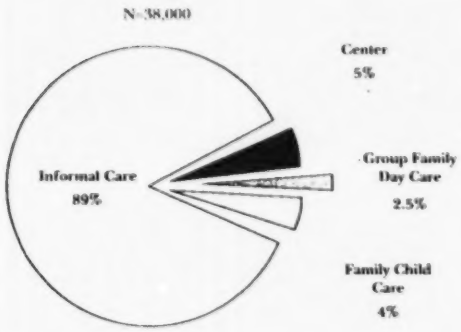
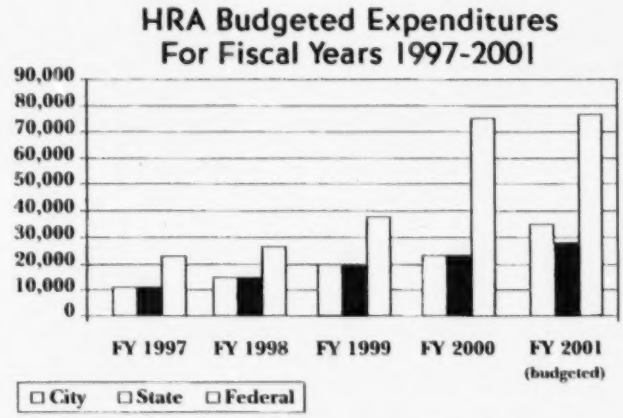
Child Care Needs for Families on Public Assistance is Rapidly Increasing.

- Child care for recipients of public assistance is administered by NYC Human Resources Administration. 89% of children whose families participate in city-mandated welfare to work activities or are transitioning from public assistance are in unregulated, informal child care arrangements.[4]

- In 2000, HRA served 38,000 children, an increase of 62% from the 14,458 served in 1998.[5] Expenditures for HRA child care increased by over $69 million during this period.[6]

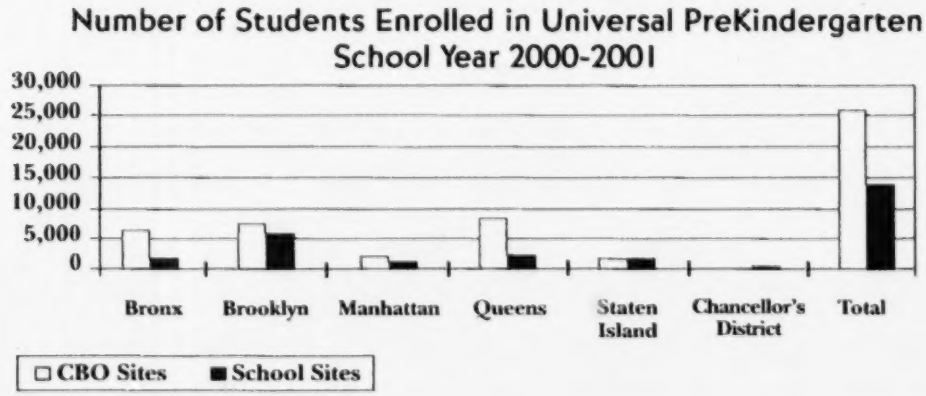




Universal Pre-K Proves an Important New Resource.

- As of the 2000-2001 school year, over 38,000 four year olds have enrolled in Universal Pre-K programs. The number of children has increased from 14,000 in 1998-99, the first year of the program.

- Universal Pre-K funding increased during this period by nearly $100 million.[7]



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[4] *Human Resources Administration, memorandum from Kay Hendon, Child Care Liason. August 21, 2000.*
[5] *Ibid.*
[6] *New York City Independent Budget Office, July 2000 and New York City Office of Management and Budget, August 2000.*
[7] *Board of Education of the City of New York, Office of Early Childhood Education.*

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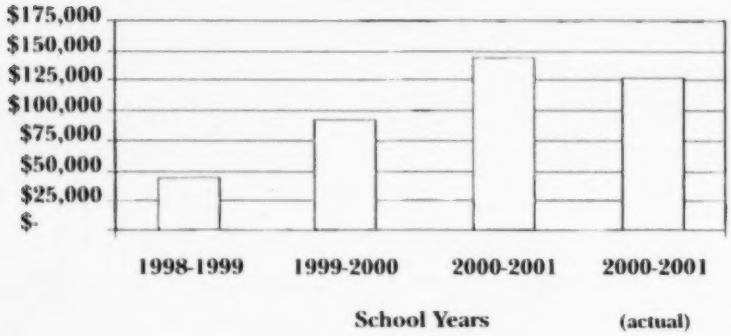
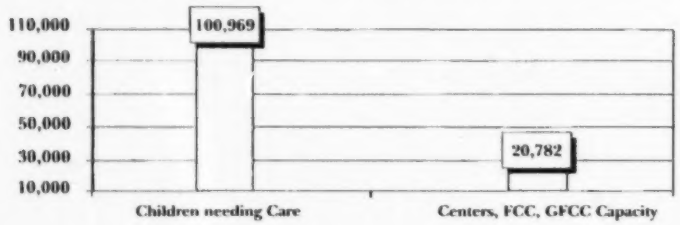
Universal PreKindergarten Budgeted Expenses (in 000s)



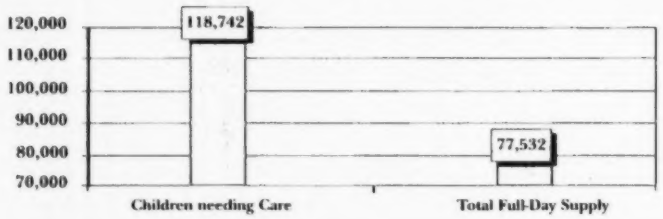
Child Care Need Far Exceeds Supply.

- An estimated 219,711 children, ages birth through six, require out of home full-day care in New York City[8]. However, only 98,314 spaces exist in regulated full day programs, a shortage of 121,397.[9]
- There are only enough regulated child care programs to serve 20% of the 100,969 infants (ages 0-2) needing full day out of home care.[10]
- There is a shortage of 41,210 regulated child care spaces for preschool children (ages 3-5).[11]

Infants Needing Out of Home Care and Available Capacity



Preschoolers Needing Out of Home Care and Available Capacity



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[8] *See full report for estimation method on need for full-day out of home care. A Child Care Primer, 2000. Child Care, Inc.*
[9] *Department of Health list of registered programs, June 2000.*
[9] *Department of Health, List of Registered Programs, June 2000.*
[10] *Ibid*
[11] *Ibid*

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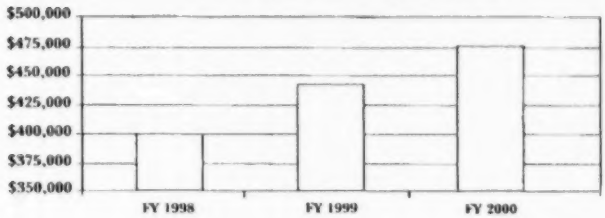
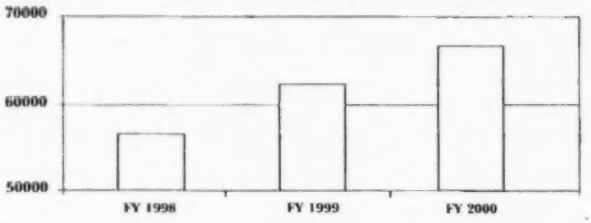
Increases in Child Care Services.

- Between 1998 and 2000, the ACD budget increased by over $75 million.
- However, during this same period, enrollment in ACD contracted child care services decreased by 2,181 and ACD vouchers decreased by 5,470 (see charts below).[12] City of New York, Independent Budget Office, July 2000.[12]

ACD Total Budgeted Expenditures For Fiscal Years 1998-2000



Children Enrolled in ACD Programs For Fiscal Years 1998-2000



Children Receiving Subsidized Child Care By Funding Source and Type of Program and Care

	Type of Care											
	Center-Based Child Care			*Group Family/ Family Child Care*			*Informal*			*Total*		
	1998	2000	Change	1998	2000	Change	1998	2000	Change	1998	2000	Change
ACD Contract	37,529	35,258	-2,271	7,904	7,994	90	0	0	0	45,433	43,252	-2,181
ACD Vouchers	14,373	10,380	-3,993	1,969	1196	-773	1,838	1,134	-704	18,180	12,710	-5,470
HRA	1,562	1,867	305	889	2,314	1,425	12,007	33,819	21,812	14,458	38,000	23,542
BOE-LYFE	600	620	20	0	0	0	0	0	0	600	620	20
CUNY	1536	2.200	664	460	424	-36	0	0	0	1996	2624	628
Total	55,600	50,325	-5,275	11,222	11,928	706	13,845	34,953	21,108	80,667	97,206	16,539

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[12] *City of New York, Office of Management and Budget, August 2000.*
Conversations with City Council Finance, August 2000.
CUNY, Chancellor's Office and Board of Education LYFE program.
Letter from Maria Vandor, Former Associate Commissioner of ACS/ACD to Nancy Kolben, August 3, 1998.
Mayor's Management Report, City of New York, 2000.
Memorandum from Kay Hendon, Child Care Liason, HRA/FIA to Nancy Kolben, Executive Director, Child Care, Inc. August 21, 2000.
Memorandum from Trudi Eblen, Consultant for Special Projects, ACS/ ACD to Child Care, Inc., September 8, 2000.

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Demographics: New York City Children and Families

- New York City Child Population, 1998 1
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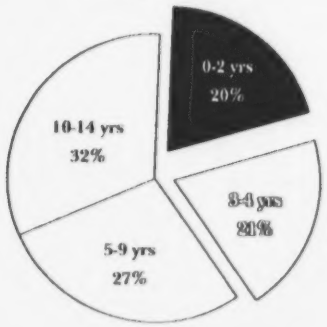
New York City's Children

- In 1998, there were 642,524 children under six in New York City.
- From 1995 to 1998, the number of children ages birth through two decreased by 19,062 or six-percent (6%).
- During this same period, the number of children ages six to fourteen increased by 62,005 or six-percent (6%).

New York City Child Population, 1998
(Birth to 14)



New York City's Child Population, 1998
(By Age Group)

Age Group	Number of Children
0-2	318,849
3-5	323,675
6-9	428,794
10-14	507,148
Total	1,578,466

New York City's Child Population, 1995-1998
(By Age Group)[13]

Age Group	1995	1998	Change	Percent (%)
0-2	337,908	318,846	-19,062	-5.64%
3-5	328,528	323,675	4,940	1.50%
6-9	412,416	428,794	6,588	2.0%
10-14	461,521	507,148	45,627	9.89%
15-17	261,456	284,833	23,377	8.94%
Total	**1,801,829**	**1,863,296**	**61,470**	**16.69%**

Sources: *New York State Department of Health, Bureau of Biometrics.*
Provisional Population Estimates by Age and Sex New York State, New York City and Upstate. June 2000.

[13]Original data included 3-4 and 5-9 age groups. 3-5 age group calculated by dividing 5-9 age group by 5 and adding one year to 3-4 age group. This year was then subtracted from 5-9 group to make 6-9.

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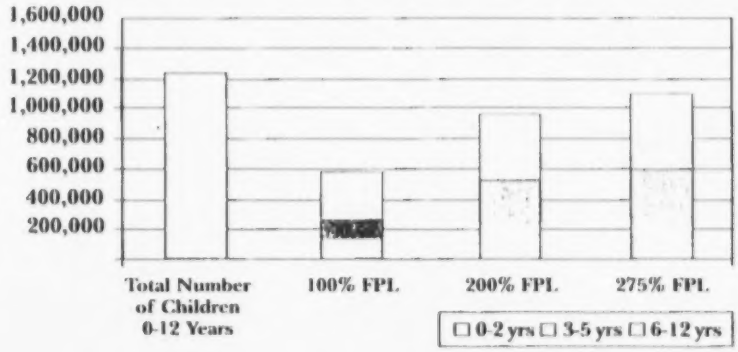
Family Income

Number of New York City Children (Under 13 years old) Living below Selected Percentages of the Federal Poverty Level, 1996

- As of 1996, there were more than half a million of New York City's children, birth to 12, who lived in poverty.
- There were 941,831 children below 200% of the 1996 Federal Poverty Level. The current New York State limit on eligibility for child care subsidy (NYC is slightly higher).
- An additional 154,633 children live between 200% and 275 % of the Federal Poverty Level.
- Three out of four of New York City's children live in families with annual incomes below $38,913 for a family of three (275% FPL 2000).*

Number of Children at Selected Poverty Levels



Number of New York City Children Living Below Selected Percentages of the Federal Poverty Level, 1996

Percent of FLP 1996	Age Group	Number of Children	Percent of Children
FPL 100%	Infant (0-2)	141,849	39%
	Preschool (3-5)	141,385	37%
	School age (6-12)	297,289	42%
FPL 200%	Infant (0-2)	241,556	67%
	Preschool (3-5)	232,065	61%
	School age (6-12)	468,210	66%
FPL 275%	Infant (0-2)	279,746	77%
	Preschool (3-5)	277,277	73%
	School age (6-12)	539,441	76%

* **The number and percent of children living in poverty were based on the 1996 Federal Poverty Level (FPL). This was the latest period for which data is available. Changes in poverty level and current economic conditions may affect current projections.**

Source: *National Center for Children in Poverty, March 1997.*

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Eligibility for Early Care and Education Programs

- Families at 100% of FPL are eligible for Head Start.
- Families in New York City are eligible at up to 225% of FPL for a family of four.
- The federal government allows the states to set eligibility at up to 85% of State Median Income, which equals approximately 275% FPL. New York State, however, establishes 200% of FPL as its maximum eligibility for reimbursement for child care.
- Universal PreKindergarten programs are open to all four year old children regardless of income. Priority is given to the economically disadvantaged.

Family Income Levels at Selected Percentages of NY State Median Income (SMI) and Federal Poverty Level - Year 2000

SMI 2000	Income Levels for a *Family of Two*	Income Levels for a *Family of Three*	Income Levels for a *Family of Four*
100%	$38,019	$46,965	$55,911
85%*	$32,317	$39,920	$47,524
60%	$22,812	$28,179	$33,547
50%	$19,010	$23,483	$27,956

Family Income Levels at Selected Percentages of Federal Poverty Level (FPL), 2000

SMI 2000	Income Levels for a *Family of Two*	Income Levels for a *Family of Three*	Income Levels for a *Family of Four*
100%	$11,250	$14,150	$17,050
200%	$22,500	$28,300	$34,100
225%	$25,313	$31,838	$38,363
275% *	$30,938	$38,913	$46,888

* *Child care eligibility is measured against the poverty level. There are only slight variations between federal maximum of 85% SMI and 275% of FPL.*

** *Income levels based on FPL for the year 1990, according to the US Census.*

Sources: *US Department of Health and Human Services, Administration for Children and Families, Estimated Median Family Income for Four-Person Families (FY 2000). Federal Register, February 26, 2000 Vol. 64 No. 38 pp. 9513-9514.*

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Enrollment in Regulated Publicly Supported Child Care and Early Childhood Programs

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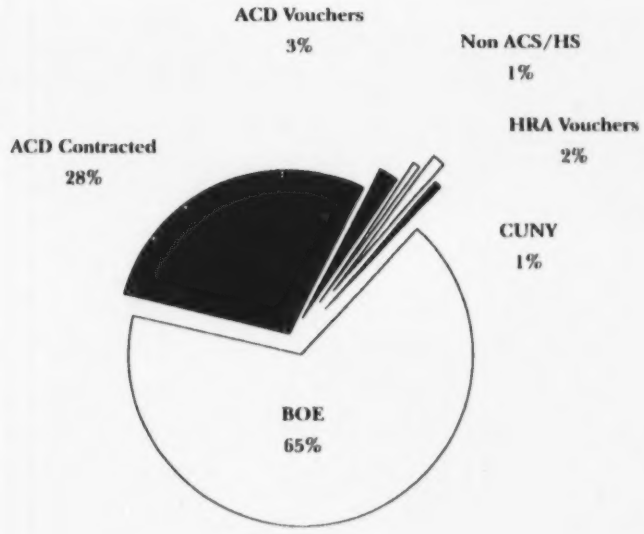
- Total Number of Children Enrolled in ACD & HRA by Age Group, 2000 17

Children Enrolled in Publicly Supported Child Care/ Early Education Programs in New York City
(Children under six years)

- In 1999, there were 194,580 children under six in publicly supported child care/early education programs in New York City including part day and full day.
- Sixty-five percent (65.4%) were enrolled in programs supported by the public education system including Kindergarten, Super Start, Universal Pre Kindergarten and Preschool Special Education.
- Just under twenty-eight percent (27.6%) were in contracted care through the Administration for Children Services, including ACS Head Start.

Children in Regulated Early Childhood Care/ Early Education Programs* (Under six years old)



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* **Children enrolled in publicly funded informal child care not included in this calculation.**
See page 5 for continuation of chart.

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Children Enrolled in Regulated Publicly Supported Child Care/Early Education Programs in New York City (Contd.)
(Children under six)

Children in Regulated Child Care/Early Education Enrollment by Type of Care - Part Day & Full Day (Under six years old, New York City 1999 - 2000)		
Type of Child Care	*Children Enrolled*	*Percent of Total Enrollment*
ACD Contract	**33,357**[14]	**17.1%**
ACD Vouchers	**4,989**[15]	**2.6%**
ACD/BOE LYFE	**620**	**0.3%**
ACS Head Start	**19,731**	**10.1%**
Non-ACS Head Start	**2,563**	**1.3%**
HRA Child Care	**3,455**[16]	**1.8%**
CUNY Child Care	**2,537**	**1.3%**
BOE Kindergarten	**72,385**	**37.2%**
BOE Pre-K (Super Start)	**9,095**	**4.7%**
BOE Universal Pre-K	**25,267**[17]	**13.0%**
BOE Special Education Pre-K	**20,581**	**10.6%**
TOTAL	**194,580**[18]	**100.0%**

Sources: *Administration for Children's Services, Regional Head Start program.*
Board of Education of the City of New York, Office of Early Childhood Education, August 2000.
Board of Education of the City of New York, Office of User Support Services. Citywide Day Schools: Register by Grade and School Group on October 29, 1999.
CUNY, Chancellors' Office and Board of Education LYFE program.
Human Resources Administration, Child Care Planning and Program Development, August 2000
Memorandum to Nancy Kolben, Executive Director, Child Care, Inc. from Kay Hendon, Child Care Liaison, HRA to August 21, 2000.
Memorandum from Trudi Eblen, Consultant for Special Projects, ACS/ACD, to Child Care, Inc., September 8, 2000

[14]Memorandum from Trudi Eblen, Consultant for Special Projects, ACS/ACD to Child Care, Inc., September 8, 2000. This figure factors out the 587 children contracted by ACD/BOE LYFE program.
[15]Excludes the 1,134 children paid by ACS/ACD in informal arrangements. This figure is based on number of children in care for June 2000.
[16]Excludes the 33,819 children paid by HRA in informal care arrangements. This figure is based on the number of children in care for March 2000.
[17]Universal PreKindergarten enrollment of school year 1999-2000. It is projected that 38,000 children will be enrolled in school year 2000-2001. See page 7.
[18]Some children in Universal PreKindergarten are already enrolled in other early childhood programs. This total may represent an overestimation of the actual numbers of children receiving services.

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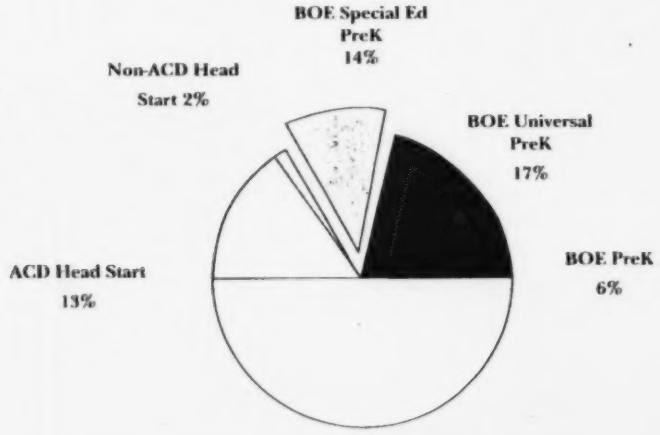
Children Enrolled in Publicly Funded Early Childhood Programs
(Three-five years old, New York City 1999-2000)

- Seventy-seven percent of the three to five year old children enrolled in publicly funded programs are in part-day or school day programs primarily funded by the Board of Education.

Children Enrolled in Publicly Funded Programs



Children Enrolled in Programs Funded as Part-Day or School-Day Early Childhood Programs (Three-five years old)		
Type of Care	*Enrollment*	*Percent of Total*
BOE Kindergarten	**72,385**	**48.38%**
ACS Head Start[19]	**19,731**	**13.19%**
Non-ACS Head Start	**2,563**	**1.71%**
BOE Special Ed Pre-K	**20,581**	**13.76%**
BOE Universal Pre-K[20]	**25,267**	**16.89%**
BOE Pre-K (Super Start)[21]	**9,095**	**6.08%**
TOTAL	**149,622**	**100.00%**

Sources: *Administration for Children's Services, Head Start program.*
Board of Education of the City of New York, Office of Early Childhood Education, August 2000.
Board of Education of the City of New York, Office of User Support Services.
Citywide Day Schools: Register by Grade and School Group- October 29, 1999.
Letter from Maria Vandor, Former Associate Commissioner for ACS/ACD, to Nancy Kolben, Executive Director, Child Care, Inc., July 6, 2000.

[19]Head Start enrolls 3 and 4 year olds.
[20]UPK serves 4 year olds only.
[21]BOE Pre K Super Start serves 4 year olds only.

Child Care, Inc. Primer, 2000 – *Children in Publicly Supported Child Care/Early Education Programs.*

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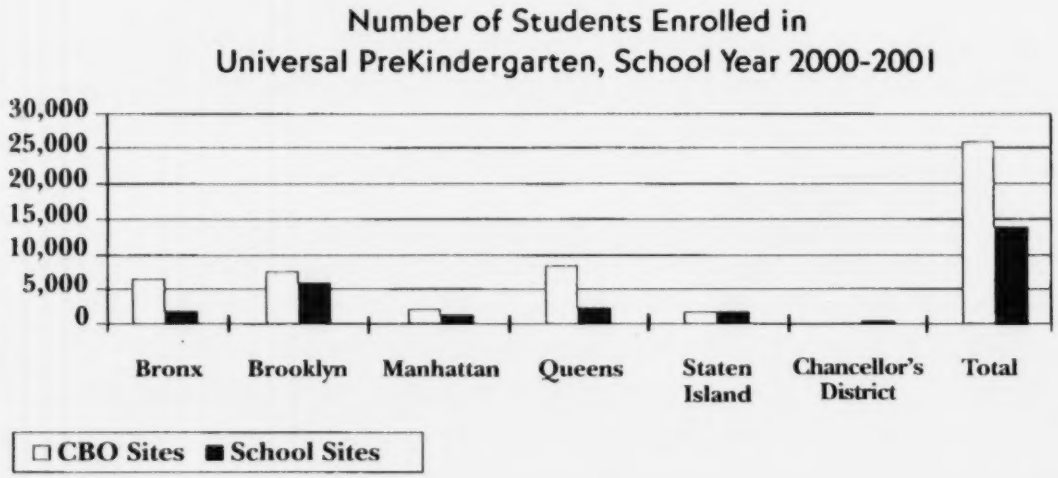
Children Enrolled in Universal PreKindergarten
(School Year 2000-2001)

- The BOE reports that 38,755 children are enrolled in Universal PreKindergarten in the 2000-2001 school year.
- Of this total, over 25,000 children are attending UPK programs in community-based organizations



Number of Children Enrolled in Universal PreKindergarten by Borough							
Borough	**Bronx**	**Brooklyn**	**Manhattan**	**Queens**	**Staten Island**	**Chancellor's District**	**Total**
CBO Sites	5,947	7,426	2,335	8,604	1,280	0	25,592
School Sites	1,769	6,017	1,507	2,146	1,220	504	13,163
Total	7,716	13,443	3,842	10,750	2,500	504	**38,755**

Sources: *Board of Education of the City of New York, Office of Early Childhood Education, October, 2000.*

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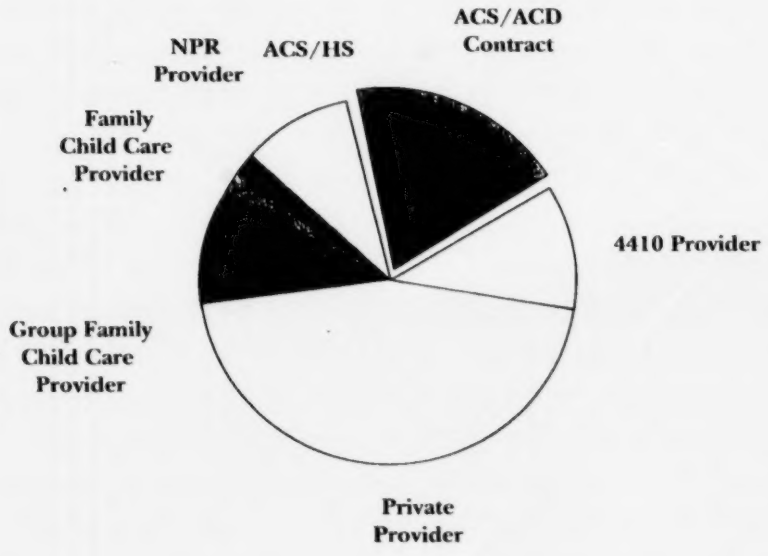
Universal PreKindergarten Community Based Programs
(2000-2003)**



Type of Services	Number of Services
ACS/HS	55
ACS/ACD Contract	118
4410 Provider	54
Private Provider	236
Group Family & Child Care Provider	54
NPR Provider	19
Total*	**536**

* **Approximately 76 providers have contracted with more than one funding source.**

** **Providers have three year contracts**

Sources: *Board of Education of the City of New York, Office of Early Childhood Education, October, 2000.*

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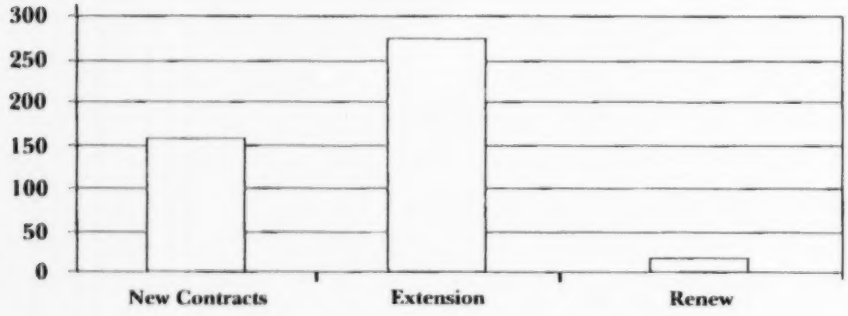
Universal PreKindergarten
Contract Renewal and Extension
(2000-2003)

- In school year 2000-2001, 453 contracts were awarded to community-based organizations. Thirty-five percent (35%) of these were new contracts.
- Three percent (3%) of the contracts were renewed and sixty-two percent (62%) were extended.

Types of Contracts
(2000-2003)



Types of Contracts	Number
New	157
Renew	16
Extension	280
Total	**453**

Sources: *Board of Education of the City of New York, Office of Financial Division, October, 2000.*

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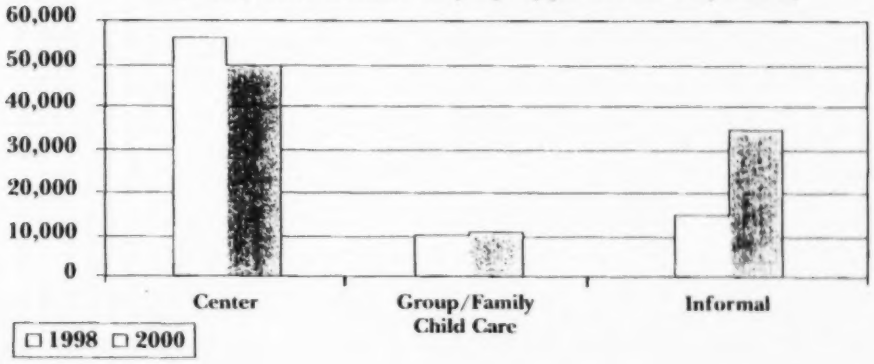
Use of Child Care Subsidies by Type of Care
(ACD, BOE-LYFE, CUNY and HRA)*

- As of September 2000, the city paid for child care for 97,206 children. One third of these children were in an informal care arrangement.**
- From 1998 to 2000, 5,275 fewer children were reported in center-based subsidized child care.
- The largest increase of child care subsidies was for the purchase of informal care, accounting for close to 34,000 children in 2000.

Children in Subsidized Child Care
(Children Under 13, By Type Of Care, 2000)



Type of Care	*1998*		*2000*		*Change*
Center	55,600	69%	50,325	52%	-5,275
Group/Family Child Care	11,222	14%	11,928	12%	706
Informal	13,845	17%	34,953	36%	21,108
TOTAL	80,667	100%	97,206	100%	16,539

* **Does not include Head Start or Universal PreKindergarten**

** **Informal care sometimes referred to as exempt care includes care by relatives, friends or neighbors. This type of care is not regulated as long as the individual is caring for fewer than three children. Individuals who care for subsidized children must complete a health and safety checklist.**

Sources: *CUNY, Chancellor's Office and Board of Education LYFE program.*
Letter from Maria Vandor, Former Associate Commissioner ACS/ACD, to Nancy Kolben, Executive Director, Child Care, Inc., August 3, 1998.
Letter from Maria Vandor, Former Associate Commissioner ACS/ACD, to Nancy Kolben, Executive Director, Child Care, Inc., July 6, 2000
Memorandum from Kay Hendon, Child Care Liaison, HRA/FIA, to Nancy Kolben, Executive Director, Child Care, Inc. August 21, 2000.
Memorandum from Trudi Eblen, Consultant for Special Projects, ACS/ACD, to Child Care, Inc. September 8, 2000

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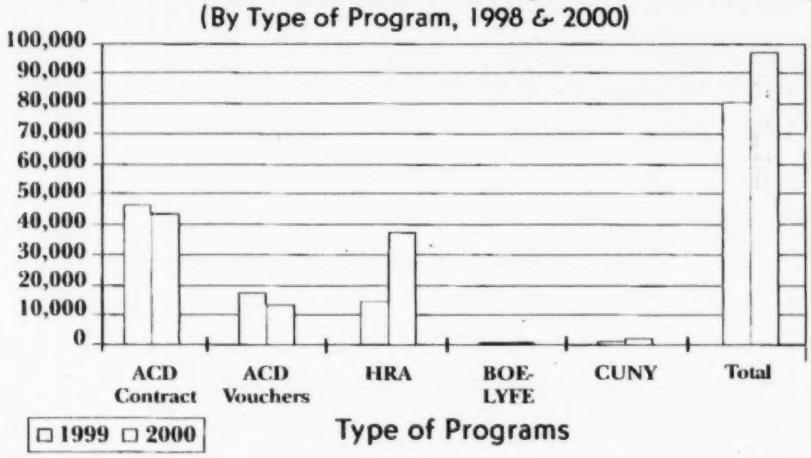
Number of Children Receiving Child Care Subsidies By Funding Source

(Children under 13, New York City, 1998 & 2000)

- ACD purchased care for 7,500 fewer children in the year 2000, than in 1998.
- ACD contracted care decreased by more than 2000 children from 1998 to 2000.
- HRA purchased care for 23,542 additional children in the year 2000 than in 1998.

Change in Number of Children Receiving a Child Care Subsidy (By Type of Program, 1998 & 2000)



Children Receiving Subsidized Child Care By Funding Source and Type of Program and Care

	Type of Care											
	Center-Based Child Care			*Group Family/ Family Child Care*			*Informal*			*Total*		
	1998	*2000*	*Change*	*1998*	*2000*	*Change*	*1998*	*2000*	*Change*	*1998*	*2000*	*Change*
ACD Contract	37,529	35,258	-2,271	7,904	7,994	90	0	0	0	45,433	43,252	-2,181
ACD Vouchers	14,373	10,380	-3,993	1,969	1196	-773	1,838	1,134	-704	18,180	12,710	-5,470
HRA	1,562	1,867	305	889	2,314	1,425	12,007	33,819	21,812	14,458	38,000	23,542
BOE-LYFE	600	620	20	0	0	0	0	0	0	600	620	20
CUNY	1,536	2,200	664	460	424	-36	0	0	0	1,996	2624	628
Total	55,600	50,325	-5,275	11,222	11,928	706	13,845	34,953	21,108	80,667	97,206	16,539

Sources: *CUNY, Chancellor's Office and Board of Education LYFE program.*

Letter from Maria Vandor, Former Associate Commissioner ACS/ACD, to Nancy Kolben, Executive Director, Child Care, Inc., August 3, 1998.
Letter from Maria Vandor, Former Associate Commissioner ACS/ACD, to Nancy Kolben, Executive Director, Child Care, Inc., July 6, 2000
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Memorandum from Trudi Ehlen, Consultant for Special Projects, ACS/ACD, to Child Care, Inc. September 8, 2000.

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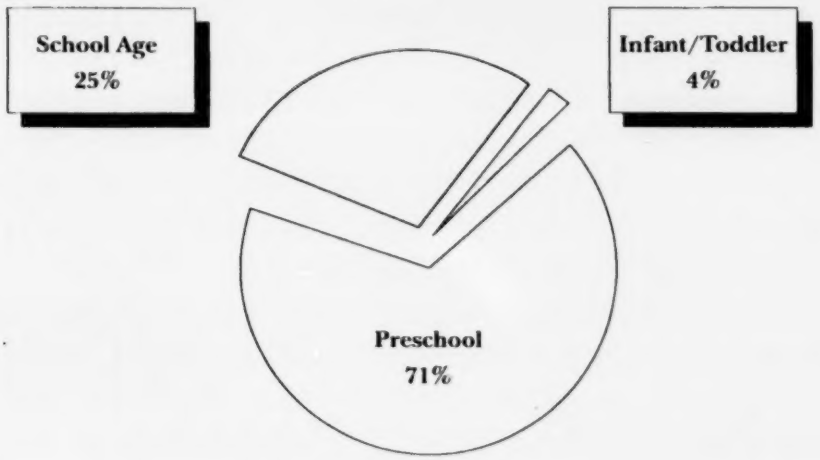
Ages of Children Served in Child Care Centers
Contracted by ACD (July 1999)[22]

- ACD purchased care for 35,162 children under twelve in child care centers/school programs. Seventy one percent of this care was for children from three to five.
- Only four percent of the care was for infants and toddlers.

Licensing Capacity By ACD (July 1999)



Age Group		*Duration of Care*		
	Part-Day	*Full-Day*	*Total*	*Percent*
Infant (0-2)	---	1,542	1,542	4%
Preschool (3-5)	---	24,795	24,795	71%
School-Age (6-12)	8,825	---	8,825	25%
TOTAL	**8,825**	**26,337**	**35,162**	**100%**

Sources: *Letter from Maria Vandor, Former Associate Commissioner ACS/ACD, to Nancy Kolben, Executive Director, Child Care, Inc., July 6, 2000.*

[22] *Licensed Capacity data were not available for year 2000.*

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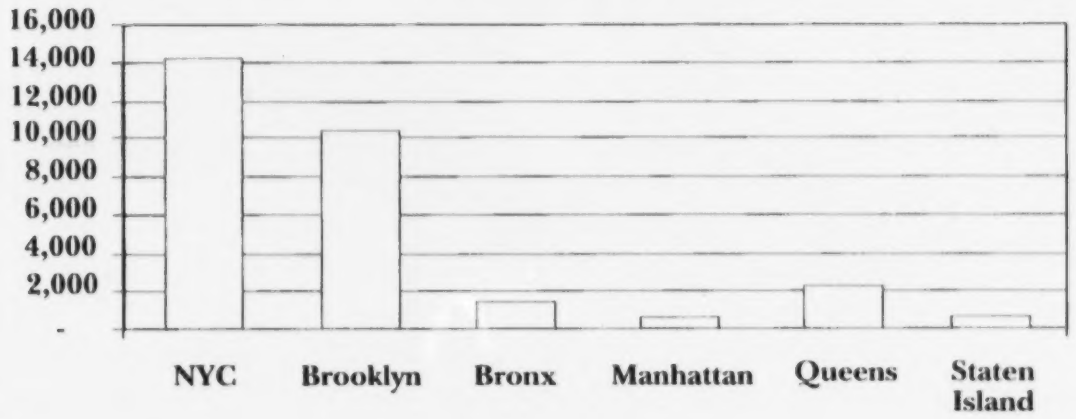
ACD Voucher Distribution by Borough
(Sept 2000, 0-12 years old)

- Over two-thirds of the children served with vouchers are in Brooklyn. Just over one third of the eligible families live in Brooklyn.

ACD Voucher Distribution



ACD Voucher Distribution by Borough						
	Brooklyn	*Bronx*	*Manhattan*	*Queens*	*Staten Island*	*Total*
ACD Vouchers	10,149	871	508	2,125	543	14,233

Vouchers are a method of direct payment to programs based on parent choice. The city releases vouchers based on available resources.

Source: *Letter from David J. Fleischmann, Executive Director Planning and Communication, ACS/ACD, to Kristen Simpson, Public Policy Associate, Child Care Inc., September 30, 2000.*

Child Care, Inc. Primer, 2000 - *Children in Publicly Supported Child Care/Early Education Programs.*

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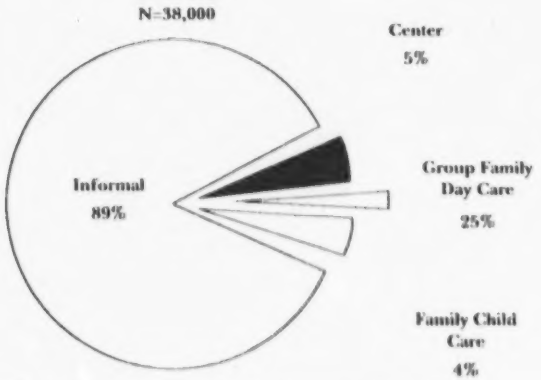
Child Care Administered by the Human Resources Administration (HRA)*
(March, 2000)

- Eighty-nine percent (89%) of the children receiving publicly funded care through HRA are in informal child care settings as compared to 2% at ACD.

Child Enrollment Type of Care, March 2000
HRA



Children Receiving Child Care Administered by HRA Enrollment by Type of Care, March 2000					
	Type of Care				
Age Group	**Center**	**Group Family Day Care**	**Family Child Care**	**Informal**	**Total**
Infant	547	397	492	5,404	6,840
Preschool	1,078	364	577	10,521	12,540
School Age	242	149	335	17,894	18,620
Total	1,867	910	1,404	33,819	38,000
Percent	4.9%	2.4%	3.7%	89.0%	100.0%

Age Group	*Duration of Care*		
	Part-Day	*Full-Day*	*Total*
Infant (0-2)	219	6,621	6,840
Preschool (3-5)	5,292	7,248	12,540
School-Age (6-12)	18,341	279	18,620
TOTAL	**23,852**	**14,148**	**38,000**

* **HRA administers the child care funding for the children whose parents are receiving Temporary Assistance for Needy Families (TANF) and are in employment-related activities; working and still on public assistance; or have recently left public assistance for employment and are eligible for a year of transitional care.**

Sources: *Human Resources Administration, August 2000.*
Memorandum from Kay Hendon, Child Care Liaison, HRA, to Nancy Kolben, Child Care, Inc., August 21, 2000.

Child Care, Inc. Primer, 2000 – *Children in Publicly Supported Child Care/Early Education Programs.*

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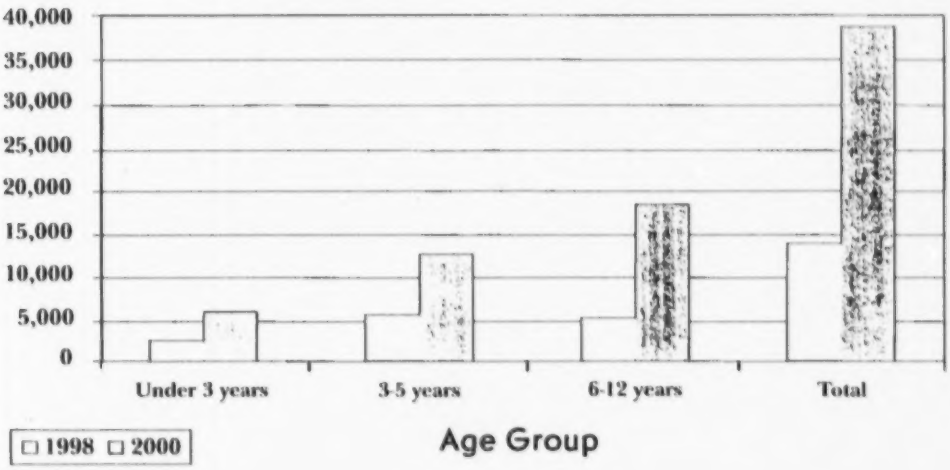
Children Receiving Child Care Subsidies Through the Human Resources Administration (HRA) by Age Group
(Comparison 1998 & 2000)

- Forty-nine percent (49%) of the HRA vouchers are for school-age child care. This is substantially higher than ACD, in which twenty-five percent (25%) of the child care subsidies are targeted to school-age child care.
- HRA's payments for school age care increased three fold from 1998-2000.

Number of Children Receiving Child Care Subsidies Through HRA By Age Group (1998 & 2000)



Number of Children Receiving Child Care Subsidies Through HRA By Age Group (1998 & 2000)

Age Group	*1998*		*2000*	
	Number of Children	*Percent*	*Number of Children*	*Percent*
Under 3 years	2,629	18.2%	6,840	18.0%
3-5 years	6,122	42.3%	12,540	33.0%
6-12 years	5,707	39.5%	18,620	49.0%
TOTAL	**14,458**	**100.0%**	**38,000**	**100.0%**

Sources: *Human Resources Administration, August 2000*
Memorandum from Kay Hendon, Child Care Liaison, HRA, to Nancy Kolben, Child Care, Inc., August 21, 2000.

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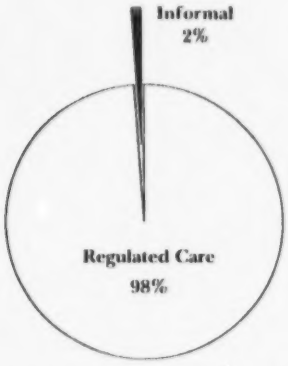
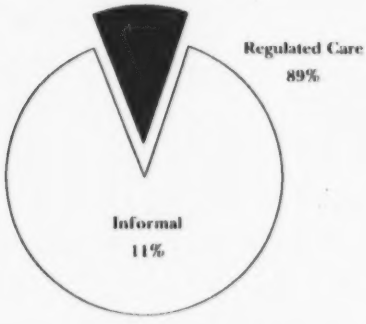
New York City's Children Subsidized by ACD and HRA

- Only two percent (2%) of the children receiving publicly funded child care through ACD are in informal care. By contrast, eighty nine percent (89%) of the children receiving payments for child care through HRA are in informal care arrangements.

Children in Subsidized Child Care (ACD, June 2000)



Children in Subsidized Child Care (HRA, March 2000)



Type of Care (Contracted & Vouchers)	*ACD*	*Percent*	*HRA*	*Percent*	*ACD & HRA Total*
Regulated Care	55,415	98%	4,181	11%	59,596
Informal	1,134	2%	33,819	89%	34,953
TOTAL	**56,549**[24]	**100%**	**38,000**[25]	**100%**	**94,549**

Sources: *Memorandum from Trudi Eblen, Consultant for Special Projects, ACS/ACD Child Care, Inc., September 8, 2000. Memorandum from Kay Hendon, Child Care Liaison, HRA, to Nancy Kolben, Executive Director, Child Care, Inc., August 21, 2000.*

[24] *ACD totals as of June 2000.*
[25] *HRA totals as of March 2000.*

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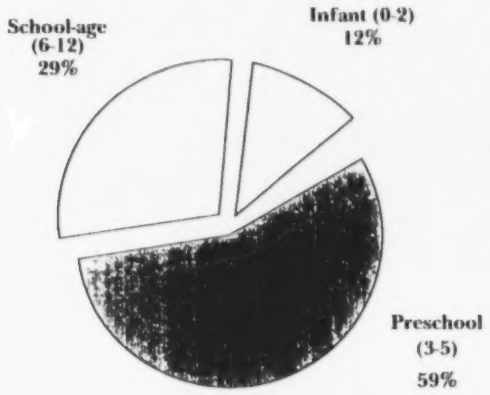
Number of Children Enrolled in Publicly Subsidized Regulated Child Care by Administering Agency and Age Group
(Year 2000)

- Sixty percent (60%) of children paid for in regulated care are preschoolers (3-5 years old).
- Only twelve percent (12 %) of children paid for in regulated care are infants (0-2 years old)

Children Enrolled in Publicly Subsidized Regulated Care
(ACD & HRA, 2000)



Number of Children in Subsidized Regulated Care, 2000				
Age Group	*Agency*			
	ACD	*HRA*	*Combined Total*	*Total Percent*
Infant (0-2)	5,465	1,436	6,901	11.6%
Preschool (3-5)	33,468	2,019	35,487	59.5%
School-Age (6-12)	16,482	726	17,208	28.9%
TOTAL	**55,415**[26]	**4,181**[27]	**59,596**	**100.0%**

Sources: *Memorandum from Kay Hendon, Child Care Liaison, HRA, to Nancy Kolben, Executive Director, Child Care, Inc., August 21, 2000*
Memorandum from Trudi Eblen, Consultant for Special Projects, ACS/ACD, to Child Care, Inc., September 8, 2000.

[26] *ACD totals as of June 2000.*
[27] *HRA totals as of March 2000*

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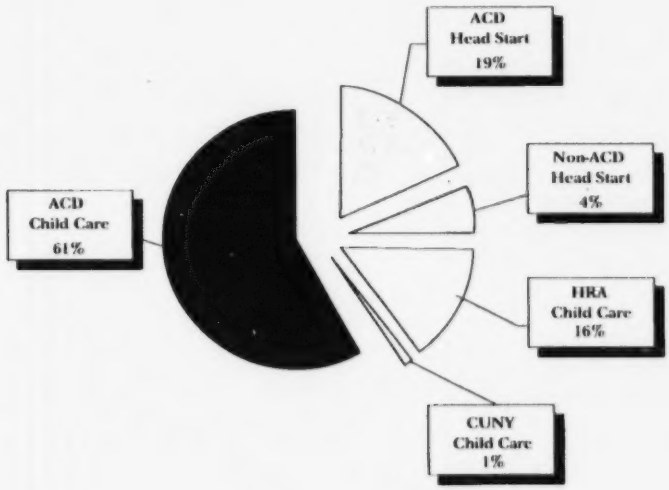
Public Budgeted Expenditures for Child Care

- New York City's Public Child Care and Head Start Expenditures 18
- Universal PreKindergarten Budgeted Expenditures 1998-2001 19
- Universal PreKindergarten Fund Allocation 19
- ACD and HRA Budgeted Expenditures, 1997-2001 20
- ACD and HRA Budgeted Expenditures, 1999-2000 21
- Relationship between ACD Funding and Child Care Enrollment 22
- HRA Budgeted Expenditures, 1997-2001 23

New York City's Public Child Care and Head Start Expenditures by Funding Source
(Fiscal Year 2000)

- ACD child care accounts for sixty-one percent (61%) of the total public child care and Head Start funding for FY 2000.
- The federal government provides sixty percent (60%) of the total funding for New York City based child care programs.
- New York City invests over $260 million in city tax levy funds to support child care services.



New York City Child Care Funding Fiscal Year 2000 (in 000's)

Agency	*Funding Source*			Total	Percent
	City	State	Federal		
ACD Child Care	$236,454	$20,358	$219,988	$476,800	61.1%
ACD Head Start			$145,926	$145,926	18.7%
Non-ACD Head Start			$27,366	$27,366	3.5%
HRA Child Care	$23,961	$23,961	$75,785	$123,707	15.9%
CUNY Child Care	$500	$4,035	$2,020	$6,555	0.8%
TOTAL	**$260,915**	**$48,354**	**$471,085**	**$780,354**	**100.0%**

Sources: *Administration for Children and Families, Head Start Regional Office, September 2000.*
City of New York, Independent Budget Office, July 2000.
City of New York, Office of Management and Budget, August 2000
City University of New York, Chancellor's Office.
Conversations with City Council Finance, August 2000.

Child Care, Inc. Primer, 2000 – *Expenditures of Public Dollars in Subsidized Child Care & Early Childhood Programs*

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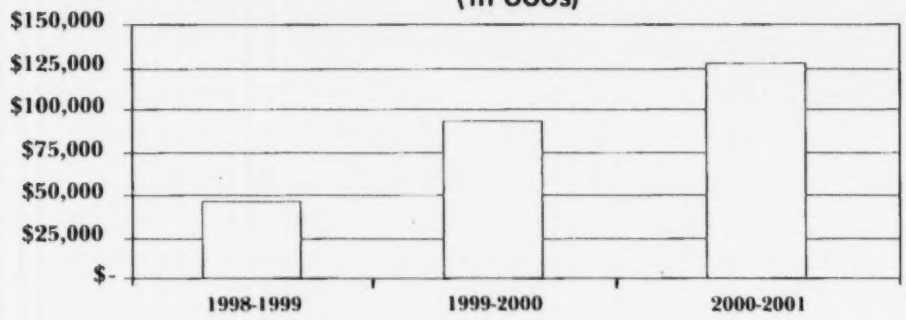
Universal PreKindergarten Budgeted Expenditures
(School Years 1998-1999, 1999-2000 and 2000-2001)

- In the school year 2000-2001, Universal PreKindergarten was allotted $146.5 million by the state with the goal of enrolling 44,000 students.
- The Board of Education has placed $18.4 million in a state administered reserve fund.

Universal PreKindergarten Budgeted Expenses (in 000s)



UPK Budgeted Expenses (in 000s)

School Years	City	State	Federal	Total
1998-1999	N/A	$46,655	N/A	$46,655
1999-2000	$26,148	$66,848	N/A	$92,996
2000-2001	$14,223	$127,616	N/A	$141,839

Universal Pre-Kindergarten Fund Allocation

New York State has established a statewide program to expand part-day services for 4 year olds. Actual contract rates per child are determined program by program.

FY 1998 allocation per child*	180 instructional days for 2 1/2 hours per day =	$3,246 per child expenditure.
FY 1999 allocation per child	180 instructional days for 2 1/2 hours per day =	$3,320 per child expenditure.
FY 2000 allocation per child	180 instructional days for 2 1/2 hours per day =	$3,332 per child expenditure.

*** No income restrictions and no fees may be charged.**

Sources: *Board of Education of the City of New York, Office of Early Childhood Education, October, 2000.*
City of New York, Independent Budget Office, September 2000.

Child Care, Inc. Primer, 2000 – *Expenditures of Public Dollars in Subsidized Child Care & Early Childhood Programs.*

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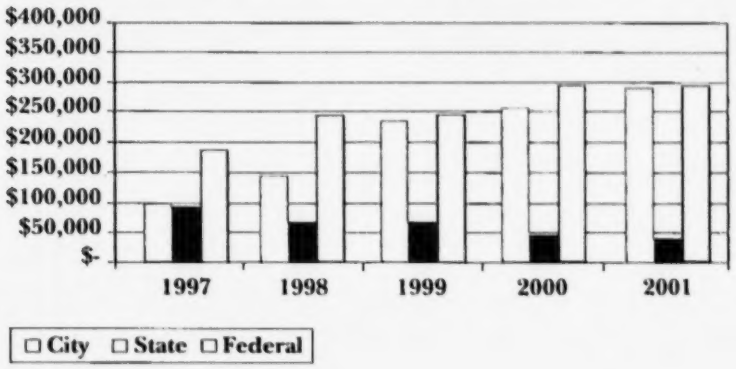
ACD and HRA Budgeted Child Care Expenditures*
(Fiscal Year 1997 - Fiscal Year 2001)

- From FY 1997 to FY 2001 overall budgeted expenditures for child care increased by $243 million. This represents a 64% increase overall.
- Funding from FY 1998 to FY 2000 increased by $145 million. During this same period the number of children paid for by HRA increased by 23,542 and the number of children paid for by ACD decreased by 7,651.[28]

ACD and HRA Budgeted Expenditures for Fiscal Years 1997-2001



ACD and HRA Combined Budgeted Expenditures for Fiscal Years 1997-2001 (in 000's)*

Fiscal Years	City	State	Federal	Total	% Increase
	ACD & HRA	*ACD & HRA*	*ACD & HRA*	*ACD & HRA*	*ACD & HRA*
FY 1997	$99,632	$95,385	$187,584	$382,601	----
FY 1998	$146,620	$64,269	$244,555	$455,444	19%
FY 1999	$226,004	$60,018	$234,090	$520,112	14%
FY 2000	$260,415	$44,319	$295,773	$600,507	15%
FY 2001	$228,521	$39,894	$297,637	$626,052	4%

* **These figures do not include Head Start**

Source: *City of New York, Independent Budget Office, July 2000.*
City of New York, Office of Management and Budget, August 2000
Conversations with City Council Finance, August 2000.

[28] *See page 11. "Number of Children Receiving Child Care Subsidies by Funding Source."*

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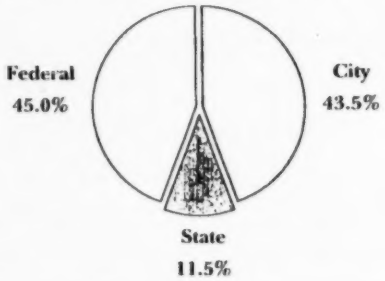
Percentage of ACD & HRA Budgeted Expenditures by City, State and Federal Share
(Fiscal Years 1999 – 2000)

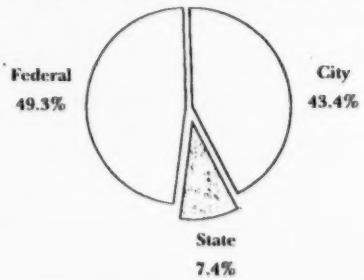
- From FY 1999 to FY 2000, the HRA budget for child care increased by 59% while ACD budget only increased by 8%.
- The federal share of funding increased by $62 million and the state funding percentage declined.

Combined Budgeted Expenditures for ACD & HRA Fiscal Year 1999



Funding Source	Agency		Combined Total	Percent
	ACD	HRA		
	1999	*1999*		
City	$206,598	$19,406	$226,004	43.5%
State	$40,612	$19,406	$60,018	11.5%
Federal	$195,277	$38,813	$234,090	45.0%
TOTAL	$442,487	$77,625	$520,112	**100.0%**

Combined Budgeted Expenditures for ACD & HRA Fiscal Year 2000



Funding Source	Agency		Combined Total	Percent
	ACD	HRA		
	2000	*2000*		
City	$236,454	$23,961	$260,415	43.4%
State	$20,358	$23,961	$44,319	7.4%
Federal	$219,988	$75,785	$295,773	49.3%
TOTAL	$476,800	$123,707	$600,507	**100.0%**

Source: *City of New York, Independent Budget Office, July 2000*
City of New York, Office of Management and Budget, August 2000.
Conversation with City Council Finance, August 2000.

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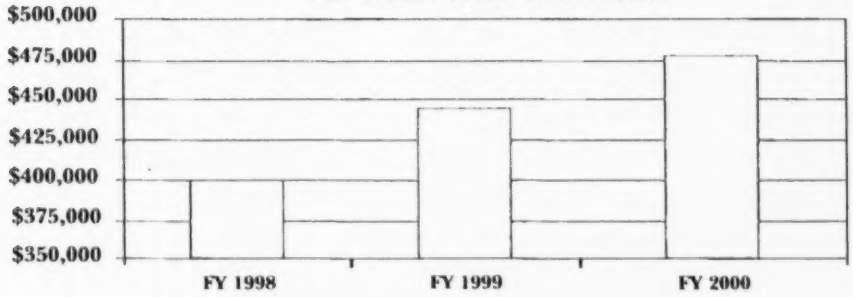
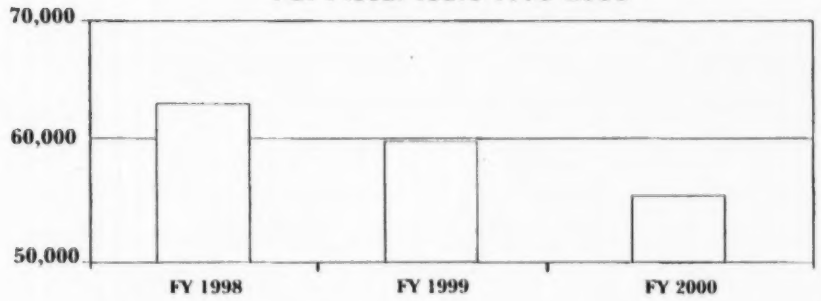
ACD Child Care Funding
(Fiscal Year 1998 - Fiscal Year 2000)

- From FY 1998 to FY 2000, the ACD budget increased by approximately $75 million. The number of children in care, however, declined from FY 1998 to FY 2000 by 7,651.

ACS Total Budgeted Expenditures For Fiscal Years 1998-2000



Children Enrolled in ACS Programs For Fiscal Years 1998-2000



Relationship Between Budget and Children in Care		
Fiscal Years	***Total Budget in 000s***	***Children Enrolled***
FY 1998	$400,846	63,613
FY 1999	$442,487	59,743
FY 2000	$476,800	55,962

Source: *City of New York, Independent Budget Office, July 2000*
City of New York, Office of Management and Budget, August 2000
Conversations with City Council Finance, August 2000.
Letter from Maria Vandor, Former Associate Commissioner ACS/ACD, to Nancy Kolben, Executive Director, Child Care, Inc., August 3, 1998.
Mayor's Management Report, City of New York, Office of the Mayor, 2000.
Memorandum from Trudi Eblen, Consultant for Special Projects, ACS/ACD, to Child Care, Inc. September 8, 2000.

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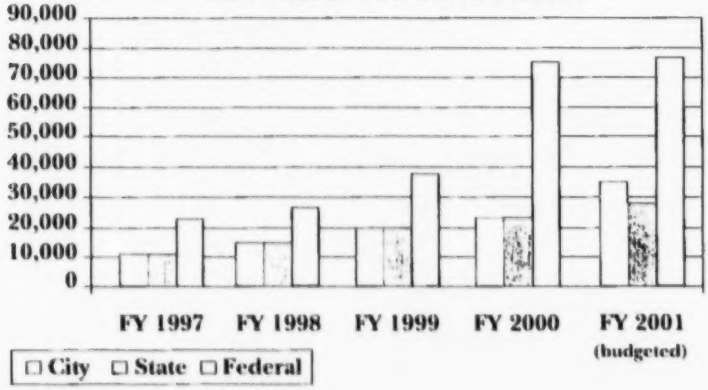
HRA Expenditures

(Fiscal Year 1997 - Fiscal Year 2001)

- The HRA budget increased by $18 million in FY 2001 from the previous year. Similarly, over the same period the ACD expenditure level is expected to increase by only $7 million.
- From FY 1997 to FY 2001 HRA's budgeted expenses for child care increased over three fold.

HRA Budgeted Expenditures For Fiscal Years 1997-2001



HRA Budgeted Expenses for Child Care (in 000's)

Fiscal Years	City	State	Federal	Total
FY 1997	$12,007	$12,007	$24,015	$48,029
FY 1998	$13,650	$13,650	$27,298	$54,598
FY 1999	$19,406	$19,406	$38,813	$77,625
FY 2000	$23,961	$23,961	$75,785	$123,707
FY 2001	$35,481	$28,515	$77,928	$141,924

HRA child care funds are an allocated portion of the State's award of funds to the City from the State's child care fund. The City's share is part of the required maintenance of effort.

Source: *City of New York, Independent Budget Office, July 2000.*
City of New York, Office of Management and Budget, August 2000.
Conversations with City Council Finance, August 2000.

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Costs of Public and Private Child Care in New York City

- Market Rates for Full time Child Care by Age Group 24
- Comparing Child Care and College Costs 25
- Changes in ACD Funded Child Care Fees and Eligibility Schedule 26
- Access to Child Care Subsidies in New York City 27
- Costs of Child Care at Market Rate for Median and Minimum Income Families 28

The New York State Market Rates for Child Care

- The market rate is the maximum level of payment that New York State will reimburse a provider for care of a child eligible for subsidy. The rate is determined by surveys conducted by the New York State Office of Children and Families Services (OCFS). The current rates were announced October 1999. It is set at the 75th percentile of reported fees charged by programs in each locality. It does not necessarily reflect the cost of providing a quality service.

- There are four market rate categories: weekly, full-day (30 or more hours per week), daily (six to eleven hours per day), part-day (three to six hours per day), and hourly (less than three hours per day). The rates also vary by type of care.

New York City Weekly Market Rate for Full-Time Child Care for Infants/Toddlers and Preschoolers (0-5yrs.)
(by Type of Care)

Age Group	Type of Care			
	Center	*Group Family*	*Family*	*Informal/In Home*
Zero - Two	$254	$143	$127	$95
Three - Five	$170	$126	$103	$77

New York City Weekly Market Rate for Child Care for School-Age Children (6-12yrs.)
(by Type and Duration of Care)

Duration	Type of Care			
	Center	*Group Family*	*Family*	*Informal/In Home*
Part-Day	$115	$75	$65	$50
Full-Day	$170	$117	$102	$77

Sources: *New York State, Office of Children and Family Services. Bureau of Early Childhood, "Market Rates."*

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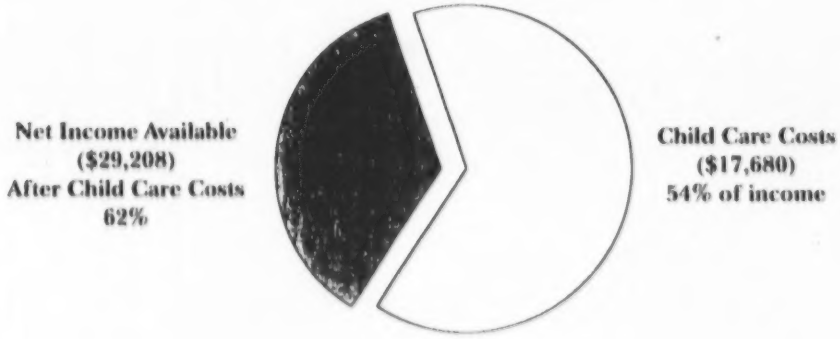
Comparing Child Care and College Expenses

- Child care expenses for a family of four can exceed the cost of food, rent and taxes, often making child care the single largest item in a family's budget.
- Under the federal Expected Family Contribution model for college, a family at the NYS median income would only be required to spend 13% of their income on college expenses. This same family would have to spend 38% of their gross income to secure regulated private child care.

Child Care Costs as Percent of Income for 2 Preschool Children at Full-time Center Based Market Rate, Family of Four at 275% of FPL ($46, 888)



Expected Family Fees for Child Care and College			
	Family Income	*Fees*[29]	*Percent of Income*
Family of Four at 275% of FPL for Child Care	$46,888	$17,680	38%
For Child Care	$35,000	$17,680	51%
For Child Care	$30,000	$17,680	59%
For College[30]	$33,000	$ 2,005	6%
For College[31]	$46,888	$ 5,875	13%

[29] *Child care fees defined as the full-time weekly market rate for center-based care. Fees for college in this model, which is the Expected Family Contribution (EFC) as determined by the college aid formula.*
[30] *US Department of Education, Office of Student Financial Assistance Programs.*
[31] *Ibid.*

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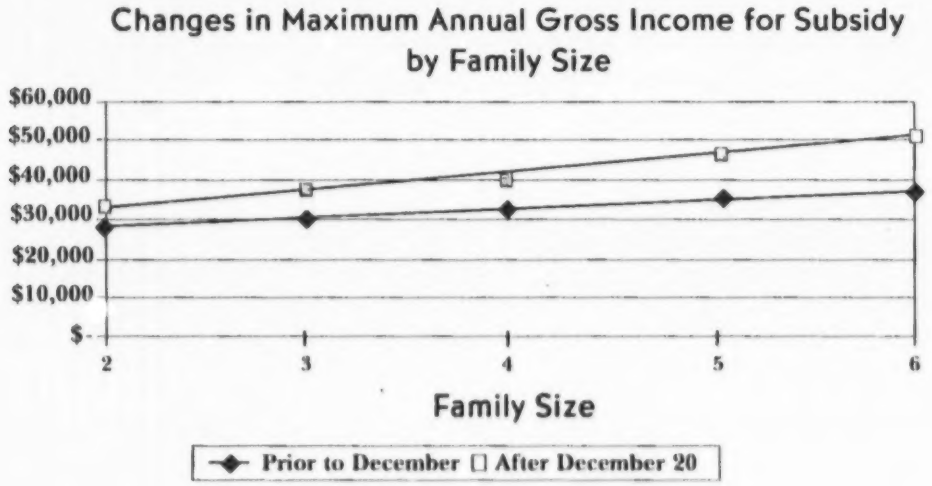
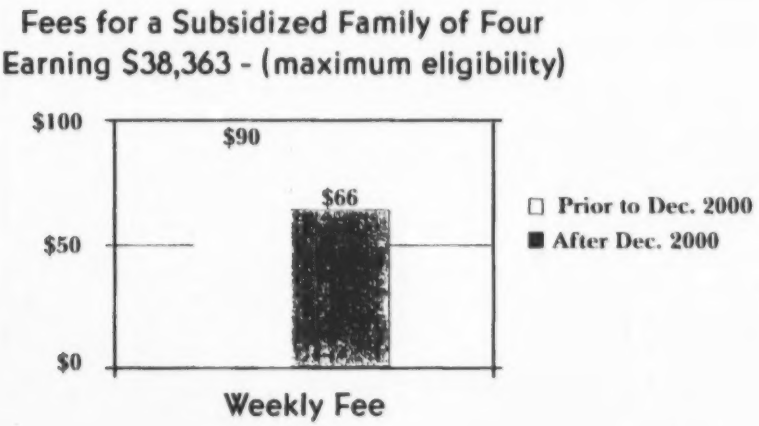
Changes in Subsidized Child Care Fee and Eligibility Schedule

- ACD announced changes made to their fee and eligibility schedule to both reduce fees for subsidized families and update income ceilings to reflect current poverty rates.

- Income eligibility is based on 275% of the Federal Poverty Level (FPL) for a family of 2, 255% for a family of three and 225% for a family of four and up. Until December 1, 2000, income ceilings were calculated by using 1990 Federal Poverty Levels. Changes in eligibility reflect an update of FPL to 2000 standards.





* **Fees are based on a sliding scale with no eligible family paying more than 10% of their income on child care expenses. This represents a reduction in current fees for subsidized families.**

Source: *Administration for Children's Services prepared testimony before the Women's Issues Committee of the City Council. November 2, 2000.*

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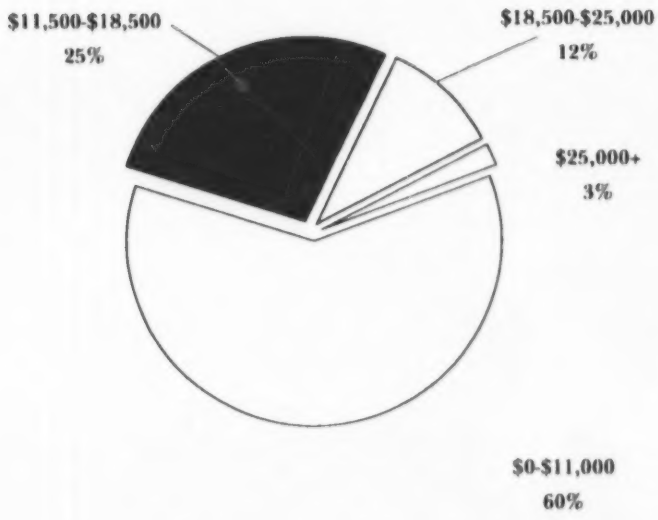
Access to Child Care Subsidies in New York City

- ACD has approximately 38,000 children, mostly from low-income working families, on the waiting list for child care subsidies.
- Of the families able to obtain a subsidy, 97% had annual incomes under $25,000, 85% had incomes below $18,500 and 60% earned less than $13,650 a year.

Allocation of ACD Subsidies for Child Care by Annual Income



Family Income	Number of Children	Percent of Children
Less than $11,000	5,925	60%
>$18,000	2,494	25%
>$25,000	1,138	12%
$25,000	335	3%
Total	**9,892**	**100%**

Source: Survey of Families in ACD Contracted Care, A Child Care Primer. Child Care Inc., Spring 1998.

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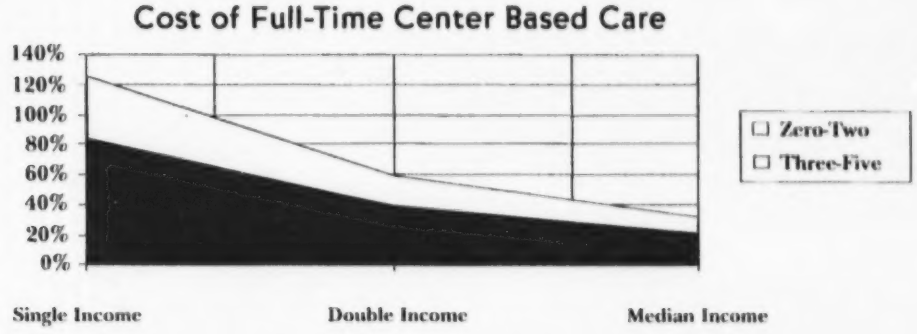
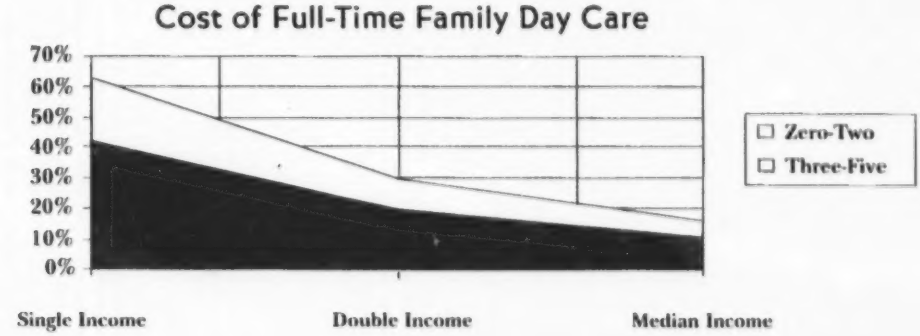
Annual Cost of Full-Time Child Care for One Child at the New York City Market Rate for Minimum and Median Wage Families



DAY CARE CENTER				FAMILY DAY CENTER		
Age of Child	*Single Income*[32]	*Double Income*[33]	*State Median Income*[34]	*Single Income*	*Double Income*	*State Median Income*
Zero-Two	123%	62%	28%	62%	31%	14%
Three-Five	83%	41%	18%	50%	25%	11%



Sources: *US Department of Health and Human Services, Administration for Children and Families, "Estimated Median Family Income for Four–Person Families (FY 2000)." Federal Register, February 26, 2000 Vol. 64 No. 38 pp. 9513-9514.*

[32]*Single Income: $5.15 X 40 X 52 = $10,712*
[33]*Double Income: ($5.15 X 40 X 52) 2 = $21,424*
New York State Median Income for a Family of Three: = $46,965

Child Care, Inc. Primer, 2000 – *Cost of Public and Private Child Care in New York City*

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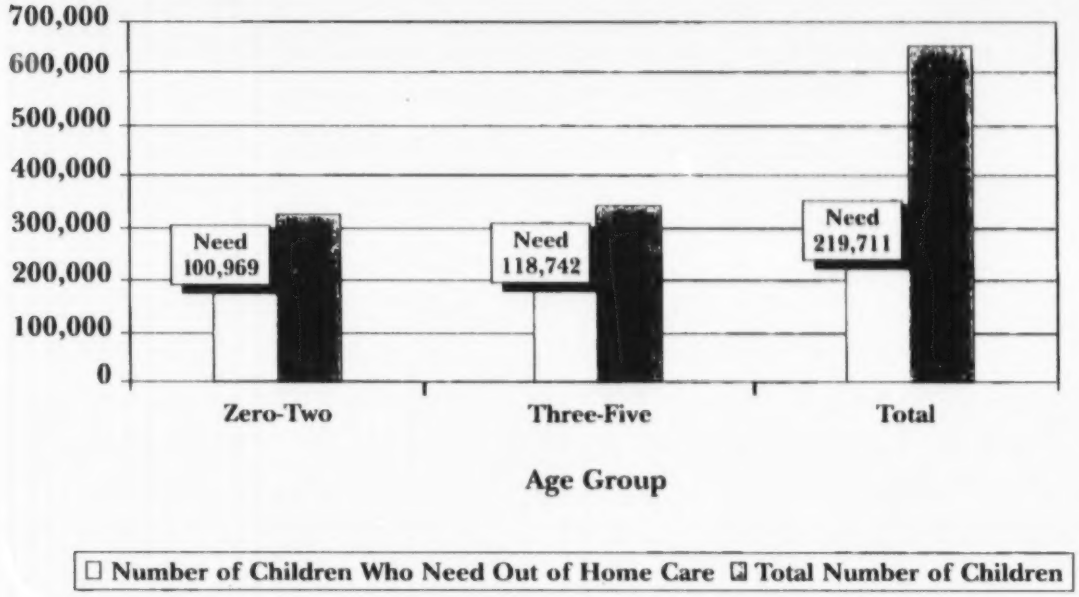
Unmet Need for Child Care

- Need for Out of Home Full Day Care 29-30
- NYC Children on Public Assistance 31
- Supply of Full Day and Part Day Center Care 32
- Supply of Full Day Child Care Services 33
- Supply of Full and Part Day Early Childhood Centers in NYC 34
- The Shortage of Infant and Toddler Care 35
- Capacity of Center based Early Childhood Programs for Infants and Toddlers 36
- Shortage of Full Day Preschool Child Care 37
- ACD Waiting List 38

The Need for Out-of-Home Full-Day Care
(Birth – five years old)

- There are an estimated 188,916 children under six who need full-day out-of-home child care arrangements while their parents work.
- There are an estimated additional 30,795 children under six who need full day out-of-home care for parents who participate in welfare to work activities.
- There are an estimated total of 219,711 children under six who need full-day out-of-home child care arrangements while their parents work and/or participate in welfare-to-work activities.

Number of Children in Need of Full day Out-of-Home Care in New York City.
(Birth - five years old)



For data source see page 30.

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The Need for Out-of-Home Full-Day Child Care (Contd.)

ESTIMATION METHOD

CHART A

Need for Full-Day Out-of-Home Child Care for Working Mothers			
Age Group	*Total Number of Children*[35]	*Number of Children With Working Mothers*[36]	*Number of Children Who Need Out-of-Home Care*
Zero-Two	318,849	198,324	88,651
Three-Five	323,675	224,307	100,265
Total	642,524	422,631	**188,916**

CHART B

Need for Full-Day Out-of-Home Child Care for Working Mothers Participating in Welfare-to-Work Activities		
Age Group	*Number of Children of Families on Public Assistance*[38]	*Number of Children Who Need Out-of-Home Care*[39]
Zero-Two	43,221	12,318
Three-Five	64,832	18,477
Total	108,053	**30,795**

CHART A&B

Need for Full-Day Out-of-Home Child Care			
Age Group	*Number of Children with Working Mothers Who Need Out-of-Home Care*[40]	*Number of Children of Families on Public Assistance Who Need Out-of-Home Care*[41]	*Total Number of Children Who Need Out-of-Home Care*[42]
Zero-Two	88,651	12,318	100,969
Three-Five	100,265	18,477	118,742
Total	***188,916***	***30,795***	***219,711***

Sources *Human Resource Administration, Office of Policy and Program Analysis. Geographic Distribution of Clients by Zip Code / Category /Age/ Sex, September 2000.*
New York State Department of Health, Bureau of Biometrics. Provisional Population Estimates by Age and Sex New York State, New York City and Upstate. June 2000.
US Department of Labor, Bureau of Labor Statistics, Labor Force Participation Rates, March 1998.
US Bureau of Census, "Child Care Arrangements," 1994.

[35] *See page 1.*
[36] *The labor force participation rates from the Bureau of Labor Statistics were used. The rates were 62.2% for mothers of children under three and 69.3% for mothers of children three to five years old.*
[37] *National statistics were applied as a means of estimation. National trends indicate that 29.3% of children in child care arrangements under 6 are in child centers, 15.4% in family day care, totaling 44.7%.*
[38] *Source for number of children ages 0-5 on public assistance from the Human Resource Administration, Office of Policy and Program Analysis (See page 31). Age breakdown estimated by dividing total number by 5 to determine the number of children in each age category.*
[39] *Children needing out of home care for welfare to work population estimated at 57% of welfare to work population using a rate at which families are likely to work if offered a 100% child care subsidy, based on 1994 GAO estimate. This estimate was then divided by 2 to reflect the likely number of children who would require out of home services.*
[40] *Represents total need as calculated through charts A and B.*
[41] *Ibid.*
[42] *Ibid.*

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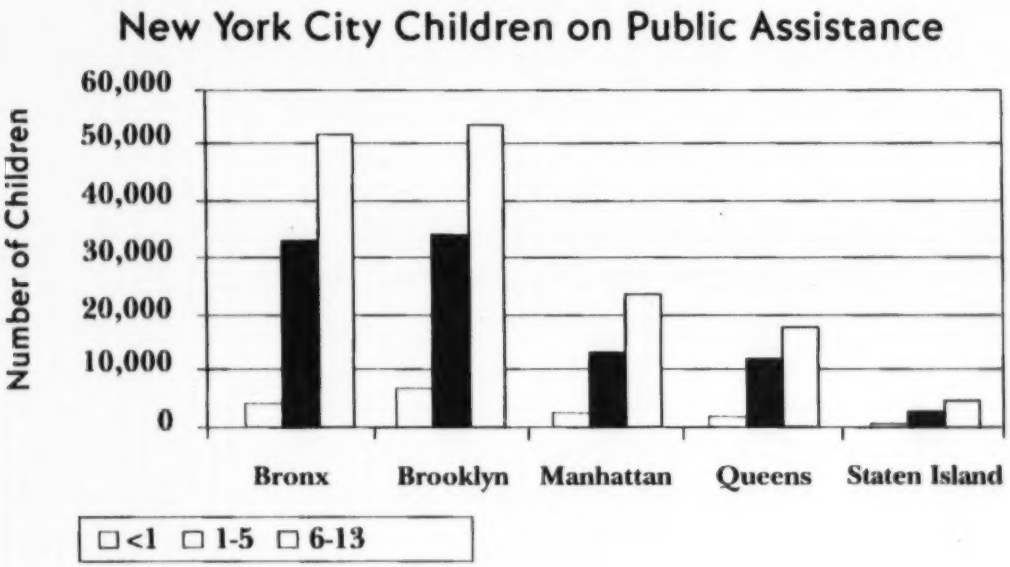
New York City Children on Public Assistance
(August 2000)

- There were over 259,000 children, ages birth to 13 receiving public assistance benefits in New York City, as of August 2000.
- 108,053 of these children are under six.
- Over 70% of these children live in Brooklyn and the Bronx.



Children on Public Assistance by Age Group and Borough				
	<1	**1-5**	**6-13**	**Total Number of PA Children**
Bronx	4,567	32,897	51,896	89,360
Brooklyn	4,916	34,353	53,354	92,623
Manhattan	2,000	13,226	23,560	38,786
Queens	1,739	11,598	18,701	32,038
Staten Island	379	2,378	3,589	6,346
Total	13,601	94,452	151,100	259,153

Source: *Human Resources Administration, Office of Policy and Program Analysis. Geographic Distribution of Clients by Zip Code / Category /Age/ Sex, September 2000.*

Child Care, Inc. Primer, 2000 - *The Unmet Need for Child Care*

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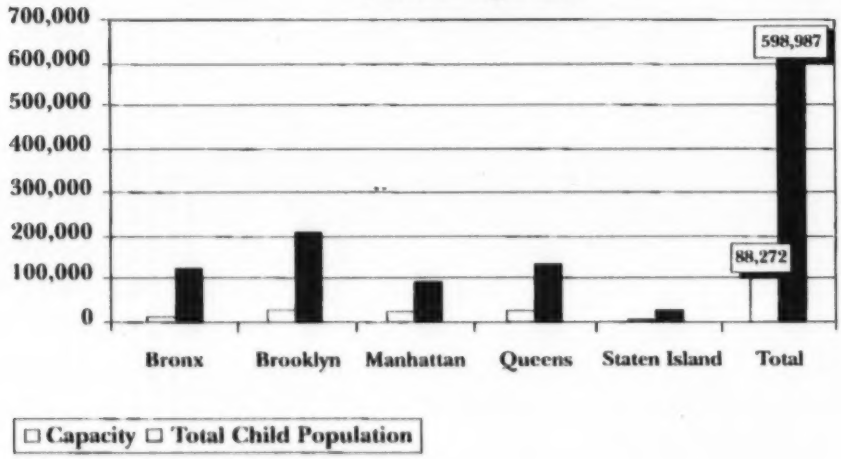
The Supply of Center-Based Early Childhood Programs in New York City

(Regardless of length of day, under six years old)

- According to the 1990 US Population Census there are nearly 598,987 children under six in New York City.
- Per capita, Manhattan has the most slots available. Every borough however has a shortage of regulated care.

Center Capacity for Children (Under age six)



Supply for Children				
Borough	**Number of Programs**	**Capacity (Under six years old)**	**1990 Population (Under six years old)**	**Ratio between Capacity and Population**
Bronx	243	13,851	121,012	1:9
Brooklyn	625	32,819	210,971	1:6
Manhattan	412	19,789	92,979	1:5
Queens	370	17,904	140,526	1:8
Staten Island	92	3,909	33,499	1:9
Total	**1,742**	**88,272**	**598,987**	**1:7**

This chart documents the entire licensed capacity, which includes a mix of full-day and part-day options

Source: *New York City Department of Health (DOH) list of licensed programs, June 2000*
US Bureau of Census. Population, 1990.

Child Care, Inc. Primer, 2000 – *The Unmet Need for Child Care*

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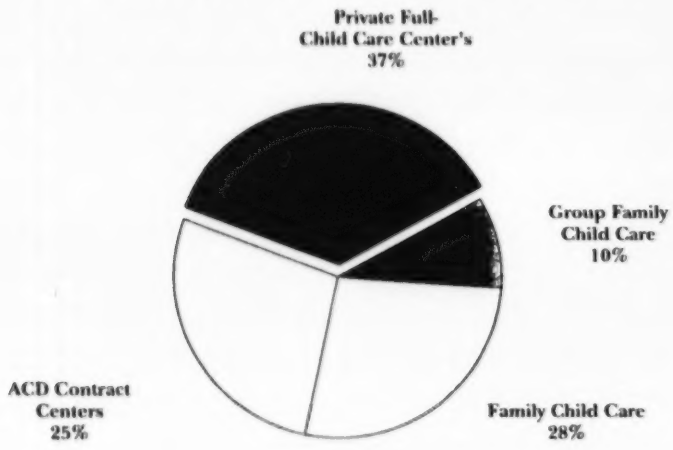
The Supply of Full Day Child Care Services
(Centers, Family and Group Family Care Capacity combined)

- Only 45% of the children who need out of home care have access to regulated care.
- There are over 120,000 children[42] birth to five who cannot access regulated full-day child care in centers or family day care homes.

Supply of Full Day Child Care Services



Supply of Full-Day Child Care Services Centers and Family Child Care (under age 6)	
Type of Care	*Number of Slots*
ACD Contract Centers	24,866[43]
Private Full-Day Child Care Centers	35,448[44]
Group Family Child Care	10,000
Family Child Care*	28,000
Total Full-Day Supply	***98,314***

***GFCC and FCC over-estimate capacity since these programs serve school-age children as well**

Sources: *Department of Health (DOH) list of registered programs, June 2000.*

[42] This figure was obtained by subtracting the Total Full day Supply from the Total Number of Children Who Need Out-of-Home Care. See page 30.

[43] Data from Department of Health (DOH) list of licensed programs, June 2000. This analysis does not include Head Start or Universal PreKindergarten because these programs are predominately part-day.

[44] Based on a sample of selected zip codes from the five boroughs it was determined that an average of 67.8% of private centers offer full day child care hence, applying this (52,283 x .678) to derive 35,448.

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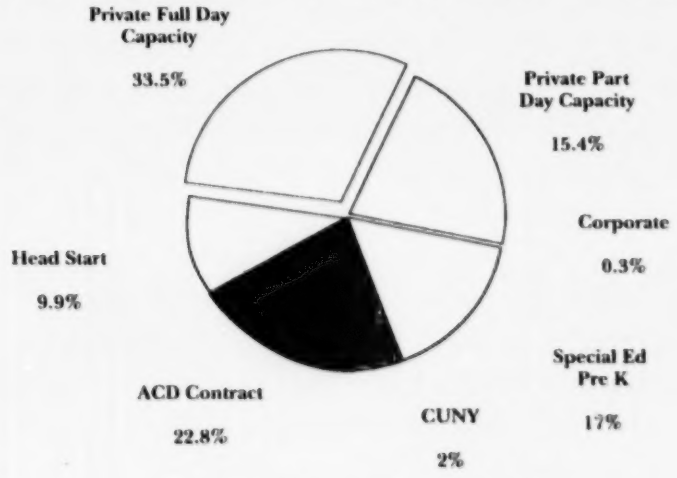
The Supply of Part and Full-Day Center-Based Child Care Services

- Child Care, Inc. estimates that only 35,448 of these spaces are in private child care centers. These full time spaces exclude ACD contract programs, part day service options and CUNY child care.

Total Part Day and Full Day Center Care Supply



ESTIMATION METHOD

Supply for Part-Day & Full-Day Center Care (Under six years old)	
Type of Supply	*Number of Slots*
Total Supply Calculated[45]	***108,997***
ACD	24,866
Head Start[46]	10,811
Corporate[47]	312
Special Ed Pre K[48]	18,525[49]
CUNY	2,200
Private Full Day and Part Day Center Capacity	52,283
Private Full Day Center Capacity	35,448[50]

Sources: *Department of Health, (DOH) list of regulated programs. June 2000.*
Inter-Agency Counsel. September 2000.
CUNY, Chancellor's Office.

[45] *This total is the sum of ACS, HS, Corporate, Private PreK Special Education, CUNY and Private Full and Part Day.*
[46] *This total is the sum of ACS HS, Private HS and HS capacity numbers within the DOH list of regulated programs. Head Start is normally a part-day program.*
[47] *This total is the sum Private Corporate and Corporate capacity numbers within the DOH list of regulated programs.*
[48] *Special Ed Pre K is administered by the NYC Board of Education as a part-day program.*
[49] *Data from InterAgency Counsel. They estimate 19,000-20,000 children in PreK Special Education of which 95% is in community based settings. The average of 19,500 was used and then multiplied by 0.95.*
[50] *Based on a sample of selected zip codes from the 5 boroughs, it was determined that an average of 67.8% of private centers offer full day child care. (52,283 x .678) was used to derive 35,448.*

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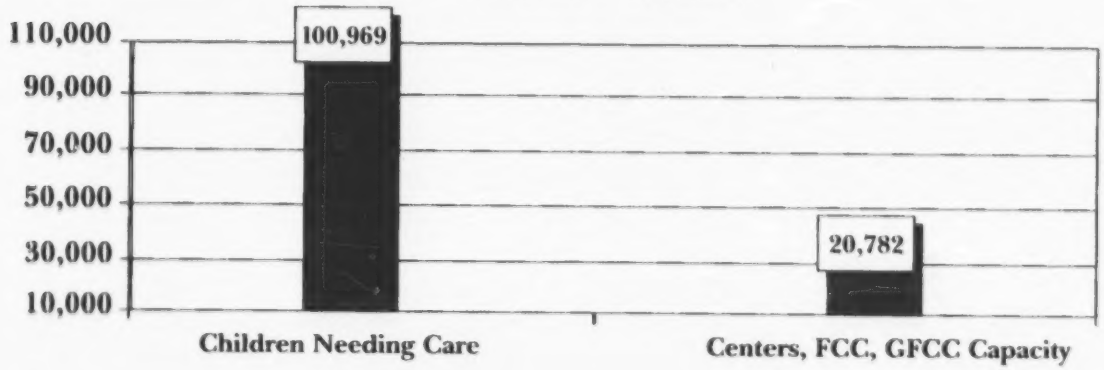
The Shortage of Infant & Toddler Care
(estimation birth - two years old)

- There are over 100,000[51] children, ages zero to two, who need out-of-home care while their parents work.
- New York City has regulated child care services for only eighteen percent (18%) of infants needing care. Of this capacity, eighty-seven percent (87%) is in group and family day care.

Infants Needing Out of Home Care and Available Capacity



Full-Day Supply for Children (Birth - two years old)		
Type of Care	**Capacity for Infants**	**Number of Children**
Family Child Care*	A maximum of 2 infants. (7,000 providers)	14,000
Group Family Child Care*	A maximum of 4 children under two (1,000 providers)	4,000
Centers	(Slots identified through the DOH Database)	2,782
Total		***20,782***

**Based on CCR&R Unified Database, there are approximately 7,000 FCC active providers and 1000 Group Family Child Care providers currently caring for children.*

Source: *Department of Health (DOH) list of registered programs, June 2000.*
CCR&R Consortium Unified Database, September 2000.

[51] *See page 30. Age Group (0-2) "Total Number of Children Need Out-Out-of-Home-Care."*

Child Care , Inc. Primer, 2000 – *The Unmet Need for Child Care.*

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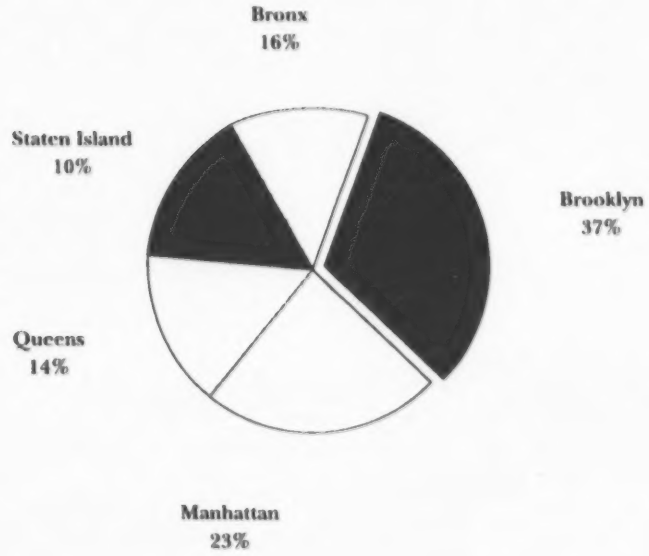
The Capacity of Center-Based Child Care for Infants in New York City
(estimation birth - two years old)

- There are fewer than 3,000 child care spaces in child care centers for children under three.

Center Capacity for Children
(Birth - two years old)



Center Capacity for Children (Birth - two years old)		
Borough	**Number of Programs**	**Capacity**
Bronx	17	451
Brooklyn	55	1,126
Manhattan	36	528
Queens	21	378
Staten Island	15	299
Total	***144***	***2,782***

Source: *Department of Health (DOH) list of registered programs, June 2000.*

Child Care , Inc. Primer, 2000 – *The Unmet Need for Child Care*

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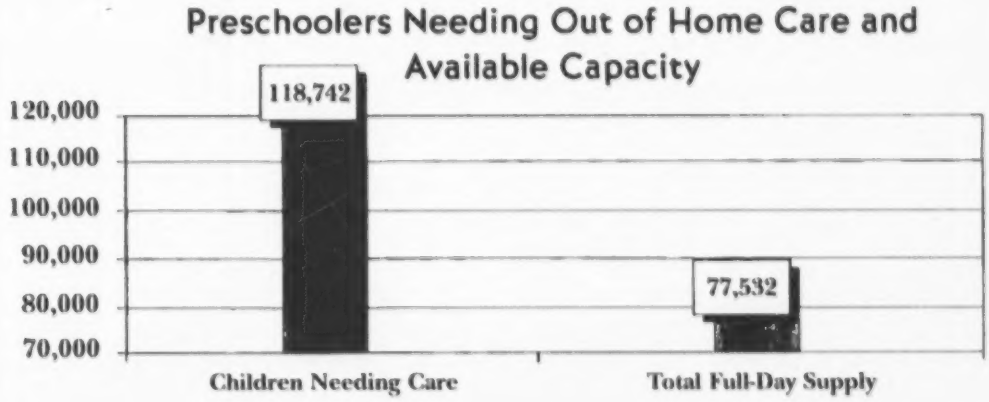
The Shortage of Full-Day Preschool Child Care
(estimation three – five years old)

- There are no regulated child care spaces for over 40,000[32] children ages 3-5 who need full-day out of home care while their parents work.



Full-Day Supply for Children (Three - Five years old)	
Type of Care	*Number of Slots*
ACD Contract Centers	24,866
Family Day Care & Group FDC	20,000[33]
Private Full-Day Child Care Slots	35,448
(Infant Capacity)	(2,782)
Total Full-Day Supply	**77,532**[34]

This chart excludes school-day kindergarten, half-day Head Start, private nursery schools and part-day Universal PreKindergarten.

Sources: *Department of Health, Bureau of Day Care list of regulated programs. June 2000*

[32] *See page 30. Age Group (3-5) "Total number of Children Who Need Out of Home Care."*
[33] *The total Family Child Care and GFCC Capacity of 38,000 assumes providers can care for 18,000 infants and 20,000 preschoolers.*
[34] *Based on DOH database of the total licensed capacity, 2,782 were targeted to serving children under three. (80,314 – 2,782 = 77,532).*

Child Care, Inc. Primer, 2000 – *Supply vs. Demand of Child Care*

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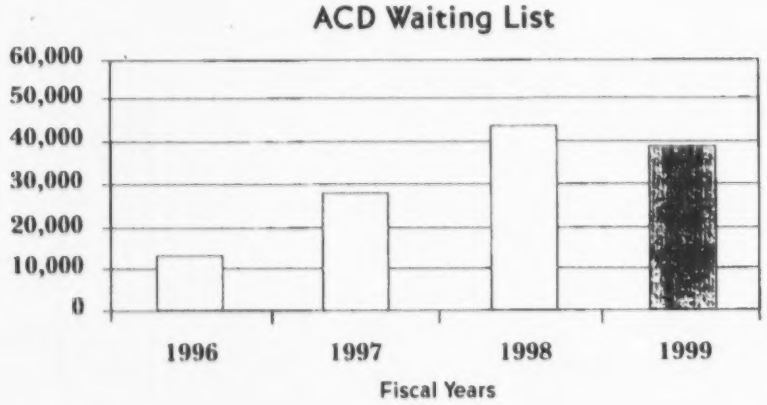
ACD Waiting List[55] By Type of Care

(Fiscal Years 1996 – 1999)

- The waiting list is one estimate of the unmet need for child care. The 1998 increase represents improved documentation of the waiting list for vouchers.



Children on Waiting Lists				
Fiscal Year	**Family**	**Group Family**	**Vouchers[56]**	**Total**
1996	5,124	10,022	N/A.	**15,146**
1997	4,956	11,674	N/A.	**16,630**
1998	4,700	14,145	34,875	**53,720**
1999	N/A	N/A	N/A	**38,493[57]**

Sources: *United Way of New York City. Low Income Populations In New York City: Economic Trends and Social Welfare Programs 1997.*
Mayor's Management Report, City of New York, Office of the Mayor, 1998.
Mayor's Management Report, City of New York, Office of the Mayor, 1999.
Mayor's Management Report, City of New York, Office of the Mayor, 2000.
Letter from Maria Vandor, Former Associate Commissioner ACS/ACD, to Nancy Kolben, Executive Director, Child Care, Inc., August 3, 1998.

[55] *Waiting lists do not fully reflect the demand for child care only those who have actively sought child care subsidies.*
[56] *ACD voucher waiting list information was not available for fiscal years 1996 and 1997.*
[57] *For FY 1999, the three waiting lists were combined therefore individual numbers were not available.*

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Glossary

Administration for Children's Services (ACS). New York City agency responsible for preventive and protective child welfare services, child support enforcement and early childhood programs, including day care and Head Start services.

After-School Child Care Program. A program for school-age children, generally serving children between the ages of five and twelve. Most programs operate from the end of the school day until 6 PM. Programs include recreational and educational activities that are developmentally appropriate for the children enrolled. Some operate during the summer and on school holidays.

Agency for Child Development (ACD). ACS agency responsible for child care services. These services include center-based day care, family day care, project LYFE (Living for Young Families Through Education) and direct voucher payments. Eligibility is determined by income, employment and other social needs. Fees are on a sliding scale based on income. All programs offer educational, physical, and play activities, plus nutritional meals.

ACD Contracted Care. Programs that operate under a contract for a specified number of children in centers and family child care homes. Contracts vary from one to three years.

Begin Employment Gain Independence Now (BEGIN). Employment program for TANF recipients run by the Family Independence Administration within the New York City Human Resources Administration. Provides participants with concurrent work and education services. Program is run cooperatively with CUNY, the Board of Education and community based organizations.

Board of Education. Primary governing body of New York City public schools. Responsible for administering Universal Pre-K services, Superstart and Superstart Plus.

Child Care. The term "child care" is the umbrella term for all early childhood programs and arrangements utilized by parents for the care of their children. Child care includes services provided by all types of early childhood centers including nursery schools; day care; other pre-school programs; family day care homes; before or after-school programs, as well as informal care by a family member, relative or acquaintance.

Child Care (Day Care) Center. A full-day, year-round program, which can serve children between eight weeks and five years of age (although some day care programs also provide care for school-age children before and/or after regular school hours). Programs must be licensed by the New York City Department of Health (DOH).

Department of Health. City agency responsible for the regulation of child care centers and family child care. Programs are regulated in respect to child/ staff ratio, child safety provisions and nutritional requirements.

Extended Day Programs. Child Care programs that operate during hours convenient to full-time working families, normally spanning the hours of 8am to 6pm.

Family Child Care. (Family Day Care). A program which provides care for up to six children under 13 in the home of the child care provider. Providers are registered under NYS law. The New York City Department of Health administers the registration program in NYC. A prior home visit is required. Providers must be fingerprinted and cleared through the Child Abuse Registry. Providers must also complete six hours of basic health and safety training prior to registration and thirty hours of training every two years.

Family Child Care Contract Agency. A program that is under contract to ACD to recruit, train, monitor, provide referrals of children and administer payments to family child care providers.

Family Child Care Network. A community based organization that recruits and offers training and other support services to family day care providers and information to parents about child care options.

Family Independence Administration. Office of HRA's Family Support Administration that assists employable public assistance recipients in obtaining employment through job placement programs, vocational training, education, work experience opportunities, and child care. It runs the BEGIN employment training program for TANF recipients and administers the Work Experience Program (WEP).

Federal Poverty Level (FPL). Standard at which federal government measures poverty. Calculated by using a food plan which meets basic nutritional requirements and multiplying it by three. Standard assumes that a family will expend one-third of their income on food. Accounts for change in family size but not for cost of living adjustments according to geographic location.

Full-Day Program. A preschool program that operates at least ten hours per day, usually between the hours of 8 AM and 6 PM, to meet the needs of working parents. Sometimes referred to as "extended-day". For purposes of determining state reimbursement, programs offering services for more than six hours are considered full day.

Group Family Child Care. A program located in a provider's home in which the provider works with at least one assistant and can serve up to twelve children at one time. The home must be certified under the New York City Department of Health by New York State law, including a home visit. Providers are required to be fingerprinted and receive a Child Abuse Registry clearance.

Head Start. A federally funded, comprehensive preschool program primarily for 3 to 4 year old children, whose family income is below the federal poverty level. In New York City, Head Start is primarily a 10 month part-day program. Early Head Start serves children under three. The Administration for Children's Services is the largest Head Start grantee in the city and contracts with 76 sponsor agencies at 200 sites, serving 19,300 children. In addition, twelve organizations are direct Head Start providers.

Human Resources Administration (HRA). New York City agency that supervises and coordinates employment, income support, food stamps, Medicaid, and other social services. HRA administers a child care subsidy program, providing services to eligible TANF recipients and those transitioning from public assistance.

Infant Child Care. A program designed specifically to provide services to children under the age of three.

Informal Care. Refers to care by a provider for fewer than three children in his/her home. The caregiver is required to complete a health and safety checklist prior to accepting children.

Living for Youth and Family through Education (LYFE). New York City Board of Education full-day child care program for the children of teen parents enrolled in high school. These child care services are provided in regulated family child care and center-based child care settings in certain high schools.

No Permit Required. Under the New York City Department of Health code, a permit shall not be required for a nursery school conducted as part of an elementary school by the Board of Education or religious organizations. In addition, a permit shall not be required for a kindergarten conducted as part of an elementary school by religious organizations.

Part-Day Program. (nursery schools, early childhood development centers, etc.) A preschool program that operates part-day, generally two to four hours per session. There may be two half-day sessions. These programs are licensed by the NYC Department of Health and are required to have a certified teacher. All part-day and full day programs must meet the same regulatory standards.

Regulated Child Care. Child care centers, family child care and group family child care programs that are reviewed and licensed by the New York City Department of Health. Programs are regulated in respect to child/ staff ratio, child safety provisions and nutritional requirements.

Satellite Child Care. A program operated by the Consortium for Worker Education that offers child care programs in home based settings. Providers are employees of Satellite Child Care and are monitored and supervised by child care organizations in the community.

School-Day Program. A program that operates on a school schedule, usually between the hours of 8:30 AM and 3 PM for ten months of the year (180 days).

Special Ed Pre-K. Part-day programs administered by the Board of Education, serving three and four year olds with special needs. Also referred to 4410.

Subsidized Child Care. Child care which is funded by federal, state and city government funding streams. Families must meet income eligibility guidelines and demonstrate a need for care.

Super Start and Super Start Plus. A comprehensive program primarily for four-year-olds operated by the Board of Education in targeted high need communities. Programs operate part-day and school-day.

Temporary Assistance to Needy Families (TANF). A federal block grant authorized under the "Personal Responsibility and Work Opportunity Reconciliation Act of 1996" (PRA) which mandates changes to cash assistance, food stamps, and Supplementary Security Income programs. Among other changes, TANF imposed a five year lifetime limit on the receipt of cash assistance and establishes mandatory work requirements. Referred to previously as Aid to Families with Dependent Children.

Transitional Child Care (TCC). Families whose TANF case is closed because of employment are eligible to receive twelve months of financial assistance for child care if they have been on public assistance for at least three of the past six months and they continue to meet child care eligibility standards.

Universal Pre-Kindergarten. Legislation enacted in August 1997 to provide all four-year-old children in New York State with the opportunity to participate in a 2 ½ hour early education program for 180 days per year, funded primarily with state education funds. Universal Pre-K legislation will phase in prekindergarten services over five years (1998-2003) with the goal of making Pre-K services available to all four-year olds.

Vouchers. Child Care subsidies administered to parents by ACD or HRA for child care services of their choice.

Waiting Lists. ACD keeps a waiting list for the number of children who have applied to ACD programs but have not yet received services, including family, group family and vouchers. Waiting lists do not fully reflect the demand for child care, only those who have actively sought child care subsidies.

Work Experience Program (WEP). Human Resource Administration, Family Independence Administration work program for TANF recipients. TANF applicants and recipients are provided with structured work assignments in order to receive assistance benefits. The number of hours per week that a client without children must work is based on the amount of their benefits. Clients are mandated to participate in a WEP program.

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